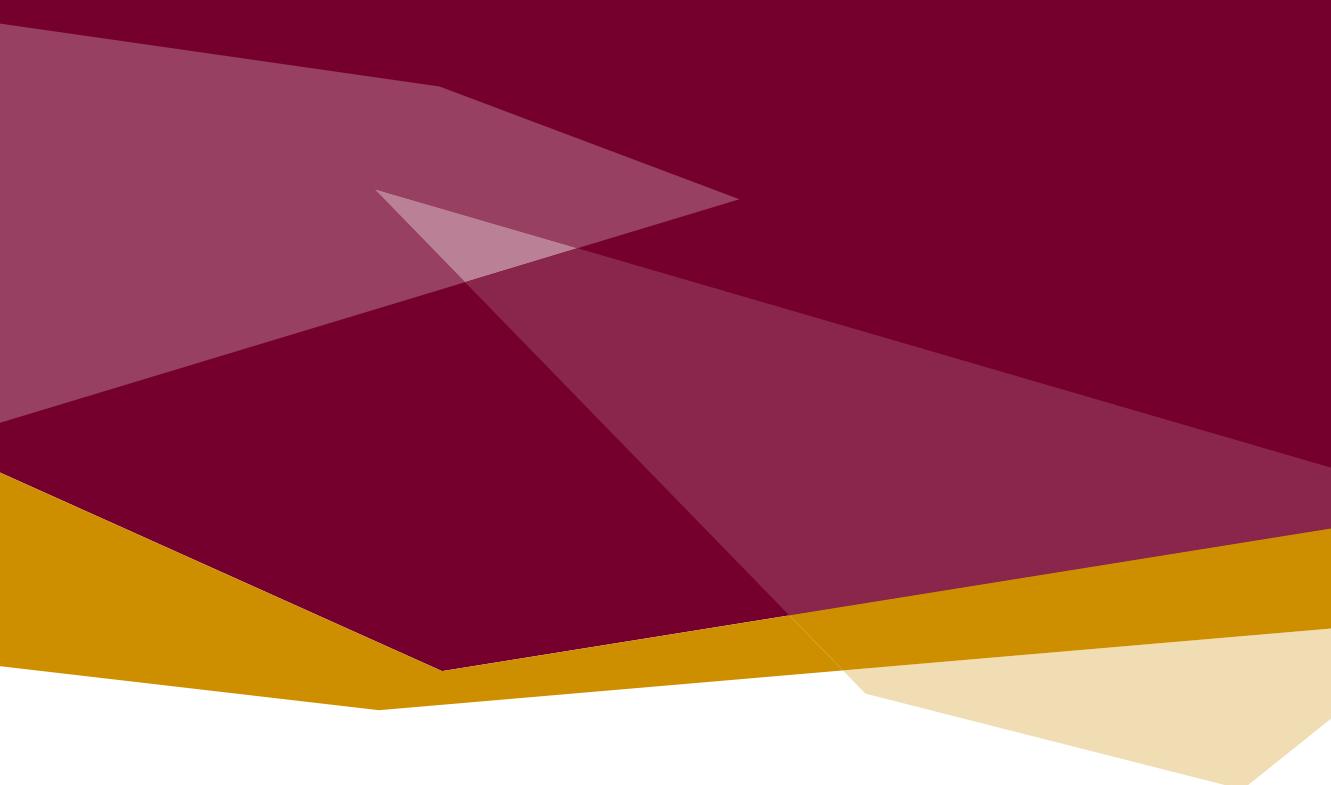




Annual Report 2005–06

A U S T R A L I A N B U R E A U O F S T A T I S T I C S



Annual Report 2005–06

AUSTRALIAN BUREAU OF STATISTICS

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Telephone: 02 6252 6998

Facsimile: 02 6252 7102

Email: intermediary.management@abs.gov.au

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Further information

For any inquiries about the content of this report, please contact: Director, Secretariat Section, Australian Bureau of Statistics, Locked Bag 10, Belconnen, ACT, 2616.

Telephone: 02 6252 7809

Facsimile: 02 6252 5824

Email: julie.evans@abs.gov.au

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Acknowledgement

Internal design and typesetting by ZOO



Australian Statistician

The Hon Chris Pearce, MP
Parliamentary Secretary to the Treasurer

In accordance with the provisions of subsection 24(1) of the *Australian Bureau of Statistics Act 1975*, I hereby submit to you, for presentation to the Parliament, this report on the operations of the Australian Bureau of Statistics for the year ended 30 June 2006.

This report complies with subsection 63(1) of the *Public Service Act 1999*, which requires that I, as Agency Head, must give a report to the Agency Minister, for presentation to the Parliament.

The report is dated on the day I approved the finalised text for printing.

A handwritten signature in black ink, appearing to read 'Dennis Trewin'.

Dennis Trewin
Australian Statistician

30 August 2006

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SECTION II

INTRODUCTION

Chapter 1

Chapter 2

AUSTRALIAN STATISTICIAN'S REVIEW OF 2005-06

OVERVIEW

Chapter 1

Australian Statistician's review of 2005–06

By the time this report is published, the collection phase of the 2006 Census of Population and Housing will have concluded. I would like to thank the Australian public for their support. It is through their participation that we recorded a snapshot of Australia, with the first results from the Census scheduled to be released in June 2007.

The preparations for the 2006 Census were a major focus for the ABS in 2005–06. By the end of June 2006:

- 13.9 million Census household and personal forms had been printed, as well as 12.6 million Census Guides and 40,000 Census maps
- the eCensus system had been developed, with final testing and security checks underway
- recruitment of the 30,000 staff involved in the operation was launched by the Parliamentary Secretary to the Treasurer, the Hon Chris Pearce, MP, and had almost been completed, and
- a public awareness campaign had been prepared and was ready to be launched by the Treasurer, the Hon Peter Costello, MP.

The 2006 Census included questions on around 40 topics including, for the first time, questions on voluntary and unpaid work and on any need for assistance in everyday activities, whether due to a long-term health condition, ageing or disability. A question on fertility was asked for the first time since 1996.

There had been a number of developments for the 2006 Census to make the operation as efficient and effective as possible, and to take advantage of new technologies available. For the first time, an Internet option, the eCensus, was available, with initial figures indicating that around 8.7% of Australians had chosen to complete the Census form online. As



Photo taken by Andrew Sheargold from the Canberra Times

expected, many more Census forms were mailed back compared with previous Censuses. It was important that collectors know which forms had been returned, by internet or mail, as soon as possible. Systems were designed to provide automatic SMS messages to collectors to tell them when someone had completed their form online and so there was no need to go back to collect it. SMS was also used to communicate with collectors on other issues.

By the time this report is published, the processing of Census forms will be well underway at the Data Processing Centre established in Melbourne. During 2005–06, the processing systems were finalised and tested, using data from the Census Dress Rehearsal in August 2005. Also during 2005–06, the ABS consulted widely with users on the proposed strategy for the dissemination of Census data, and took the feedback into account in developing the range of new products and services, which will largely be available through the internet.

The Census Time Capsule project will ensure that the Census information, for those people who gave their consent, will be retained by the National Archives of Australia with no access for 99 years, after which the information will be available to historical researchers and genealogists.

Another important initiative with the 2006 Census was the Census Data Enhancement project. The main feature of the project is the creation of a Statistical Longitudinal Census Dataset (SLCD), which will be based on a 5% sample of the population. Records for this sample group will be brought together from each Census by statistical techniques that do not involve the use of name and address. Using the same statistical techniques, the dataset will be used with other non-ABS datasets for approved statistical projects. The other datasets being considered are: birth and death register data, long-term immigration data, and national disease registers.

The ABS views the SLCD as an investment in the future, as the value of the dataset will grow over time as more data is added. The SLCD would enable us to study, for example:

- the effects of ageing on households and family arrangements
- how young people move from education to the workforce and if they are working in fields related to their educational qualifications
- migration patterns of people from one census to another
- socioeconomic mobility of people from different areas.

Planning for the 2011 Census has started, with a team studying the experience of the 2006 Census and exploring opportunities for 2011. This Census will be part of the 2010 round of Population Censuses, supported by the United Nations. It is hoped to get greater consistency across countries for many Census variables. One particular objective is to get data on country of citizenship. This should enable a picture to be developed of Australian citizens who are resident overseas.

While the Census is the largest collection operation conducted by the ABS, it is just one part of the picture of Australia provided by the ABS, as part of the national statistical service.

ABS Centenary

For me, a highlight of 2005–06 was the culmination of celebrations to mark the ABS centenary with an event at ABS House in Canberra on 8 December 2005. The Treasurer, the Hon. Peter Costello, was the keynote speaker at this event and commented on the strong values that the ABS has been true to over the past one hundred years, achieving a

consistently high level of integrity, professionalism and relevance, whilst maintaining the confidentiality of data provided to us.

I felt privileged to be Statistician at this time, when the achievements of ABS were widely recognised, and would like to formally acknowledge that the successes we have obtained over the past one hundred years are due to the efforts of many people, not just the current staff.

Another important part of the ABS centenary celebrations was the release of the ABS history book, *Informing a nation: The evolution of the Australian Bureau of Statistics*, on 31 October 2005. This publication chronicles the development of the ABS, from the establishment of the Commonwealth Bureau of Census and Statistics in 1905, to the current organisation, one hundred years later. It describes how the ABS has underpinned national progress through professional and committed people, who have measured and surveyed the growing nation.

Statistical Achievements

In the 2005-06 Australian Government Budget, the ABS received additional funding of \$57.2 million over four years to upgrade official statistics, and for enhancements to the Census of Population and Housing. A further \$19.0 million was provided for the Census Time Capsule project. In 2005-06, there were many successful outcomes from this additional funding, including the development of the eCensus facility and the inclusion of additional questions in the Census.

Other achievements resulting from this additional funding include:

- improvements introduced to the Consumer Price Index with the release of the 15th series
- a more timely House Price Index
- completion of the first biennial Natural Resource Management Survey (results published in July 2006)
- consultation on and development of the Business Longitudinal Database
- release of a publication on expenditure, wealth and income of households, and
- the release of free statistics on the ABS website.

The last of these resulted in the ABS making substantial advances in enabling Australians to use statistics. In July 2005, all electronic versions of ABS publications were made available free of charge when downloaded from the ABS website. In December 2005, the ABS took the additional step of making all web products free of charge, which covered spreadsheets and other products containing data. There has been a significant increase in the use of the ABS web site.

The release of the 2006 Australian and New Zealand Standard Industrial Classification in February 2006 marked a major achievement, and was four months ahead of schedule. This classification will be used in the 2006 Census, and gradually implemented into a range of collections. A prerequisite for this was to attribute the new classification to every business on the Australian Business Register. This was successfully completed by the Australian Taxation Office, again ahead of schedule. We are very grateful for their support. The resources to enable the implementation were part of the additional funding mentioned above. In addition, the ABS completed development work on the 2006 Australia and New Zealand Standard Classification of Occupations, which will also be used in the 2006 Census.

In 2005–06, the ABS has worked hard to engage with users and producers of statistics. The need for improvements in this area was one of the key conclusions of the review into our strategic positioning (see next section on strategic developments for more information). It is pleasing to hear a number of positive comments in recent times about the level of engagement by the ABS.

Another conclusion of the review was the need for the ABS to take a stronger statistical leadership role. I was pleased to see the support for this because such support is essential if we are to succeed in our efforts to lead Australia's statistical system, and improve and expand the information available for decision making, regardless of its source.

We made some changes to the structure of the ABS, to better position ourselves to perform this statistical leadership role. These changes included establishing a National Statistical Service Leadership Branch, as well as appointing two additional senior executives in the statistical output areas. Some of the activities related to advancing the national statistical service were:

- in conjunction with Treasury and the Department of Families, Community Services and Indigenous Affairs (FaCSIA), we held a Population Wellbeing Data Gaps Workshop to identify the information gaps and data shortcomings considered to be of highest priority, and explore options for meeting needs for data.
- we worked with the Department of the Environment and Heritage (DEH) and other key stakeholders to develop a strategy to improve Australia's system of environment statistics.
- we continued developing the National Data Network, and it is now in demonstration phase, providing access to data from seven organisations.

Another development has been the potential to greatly enhance the availability of regional statistics. In association with the 2006 Census, a new unit of geography known as mesh blocks has been introduced. Census data will be coded to this level. Although only basic demographic data will be available at this level, they will be an invaluable building block to create other statistics for user defined areas. Furthermore, with funding assistance from the Department of Agriculture, Fisheries and Forestry and the Department of the Environment and Heritage, the 2005–06 Agriculture Census data will also be coded to mesh blocks.

An address coder will be developed primarily using the Geographic National Address File (GNAF) database produced by the Public Sector Mapping Agency. A version of this address coder has been made available publicly and will enable the data custodians to code their datasets on the same basis. As part of our statistical leadership responsibility, we will support data custodians to undertake this coding and to include key statistical outputs in the set of available regional statistics.

Other achievements I would like to highlight for 2005–06 include the release of the Information and Communications Technology satellite account, the release of additional information on labour force participation, the release of new data on Indigenous Australians' labour force participation and health, and the establishment of a unit, with funding support from the Department of Immigration and Multicultural Affairs, to work on migrant statistics.

International contribution

The ABS has continued to be an active contributor to the international statistical community by providing assistance to a range of countries, and contributing to statistical developments in international forums. This involvement enables the ABS to make improvements to Australian statistics, learning through discussions with our peers in other National Statistical Organisations. The ABS has contributed to discussions on a range of international standards, frameworks and methodologies, ensuring that they reflect Australian user interest. This work is vital for ensuring international comparability of statistics. Such comparisons are increasingly being used for policy analysis and other purposes.

The ABS provides support for the statistical systems of a number of developing countries. In 2005–06, one highlight in this area was the commencement of a program in the South Pacific to support better planning. This work is being conducted jointly with the Secretariat of Pacific Communities. We also extended a Memorandum of Understanding with the Badan Pusat Statistik – Statistics Indonesia (BPS), which will see us provide technical capacity building in a range of high priority areas including labour force statistics and information technology strategy. Both projects are assisted by funding support from AusAID.

Organisation

In March 2006, ABS staff overwhelmingly supported the new ABS Certified Agreement, with 83% of those who voted supporting the agreement. I felt that the agreement balanced the needs of the organisation, whilst ensuring that the conditions of employment on offer to employees are both fair and flexible. I was very pleased with the support it received.

The ABS is now well placed to attract and retain the skilled staff needed to meet our objectives. In 2005–06, we have been looking at the additional steps that can be taken to ensure that the ABS has the people and skills needed for the coming years, including considering the issues of 'workforce shaping'. An extensive training program is in place to assist staff in developing their skills. This includes the work of the National Statistical Training Institute, which has been developing a range of courses on statistical skills.

To better meet the challenges ahead, we undertook a restructure of some areas of the ABS, creating a new Services Group, which brings together the Corporate Services Division and Technology Services Division. The head of the Services Group is also responsible for the new National Statistical Service Leadership Branch and the Financial Management area. Having all these together in one group will better position the ABS for advancing and implementing key business strategies, as well as providing rationalisation of some activities that were previously undertaken in two Divisions.

Finances

For 2005–06, the operating result was a small surplus. Our cash position remained sound. The operating surplus is somewhat smaller than we anticipated because we only became aware of a new interpretation of an accounting standard on property operating expenses towards the end of the year.

Strategic Development

A focus for the next year will be to continue to build upon our response to the messages from the review of our strategic positioning conducted by the Allen Consulting Group (ACG), which I mentioned earlier. That review had found that the ABS is highly respected for its credibility,

impartiality, independence and the quality of its work and outputs, and stakeholders do not want that to change. However, it also found that the ABS needed to respond better to changes in the external environment, as the way ABS key clients require and use information has changed. We were encouraged that clients want the ABS to succeed. We have taken steps, such as those described above, to more effectively engage with users and these will continue to be extended, as will initiatives to develop the ABS' leadership role for statistical work undertaken outside its organisational boundaries.

In December 2005, I launched a revised Corporate Plan for the ABS. This plan sets out the values and objectives that will guide our work in coming years. It was the result of a year long process to review the previous Corporate Plan, and to consult with management, other ABS staff and some external stakeholders, including members of the Australian Statistics Advisory Council (ASAC), on the directions and challenges for the ABS. The new Corporate Plan does not represent a 'rewrite' of the previous Corporate Plan, but rather changes in emphases for the ABS in the light of experience gained over the last five years, and the evolving environment in which we operate. It picks up many of the themes from the strategic review by the ACG.

The new Corporate Plan was also an opportunity to reflect a slight but important change in the focus of the ABS, with the mission statement now referring to the ABS 'leading' rather than 'providing' a National Statistical Service. This acknowledges the key legislated role of the ABS in providing statistical leadership across government. It reflects the role we want to play, and the role our key stakeholders want us to play.

The ABS corporate values provide a vital foundation for the work of the ABS. In the new Corporate Plan, an additional value of 'service' has been added. This does not reflect a change in behaviour, but an articulation of a value that already exists.

There was little change to the objectives for the ABS in the new Corporate Plan. However, there were more substantial changes to the strategies that underpin those objectives. These include the strategies to advance Australia's statistical system. The next section of this summary provides a discussion of some of these strategic directions.

Both the ABS' Corporate Plan and Forward Work Program are available to the public on the ABS web site.

Future directions

(a) Statistical leadership

The ABS has a responsibility for the coordination of official statistics. It is fair to say that, over its history since the *Australian Bureau of Statistics Act 1975* was passed, the ABS has struggled to decide how to best fulfil this responsibility. The need for the ABS to take a leadership role is becoming clearer and is likely to become more so in the future. Not surprisingly, this has become more apparent at the same time as the amount of statistical activity outside the ABS has increased. Some other agencies do conduct sample surveys from time to time. But, most importantly, many Australian and state government agencies are custodians of administrative data that are potentially a very valuable source of statistics. Australia is evolving towards a National Statistical Service where the ABS is only one of the providers, albeit a very important one.

There is support for the ABS taking a leadership role in the development of national statistics. It is my view that the reasons for this are:

- Government agencies increasingly need to work in a 'connected' way. This will only happen if they are prepared to share information, including statistical information.
- It is important that this information can be related – that is, we are using the same concepts and definitions to the extent possible. This requires leadership on standards and classifications, a role that the ABS is well suited to play.
- It is important that the range of statistics be of good quality – sound statistical methods should be used. Again the ABS has a constructive role to play.

One way of illustrating what is meant by statistical leadership is to summarise the type of activities that might be pursued. They could include:

- Developing standard classifications (eg an industry classification) and making them available to other providers of statistics.
- Developing and promulgating statistical frameworks, statistical standards and definitions for use by all providers of statistics. These frameworks should be based on international frameworks where they exist.
- Disseminating Manuals of Good Practice and providing training programs to support them. More generally, providing good guidance on other aspects of statistical production.
- Maintaining active networks among the key personnel involved in statistical activities through such means as newsletters, seminars and social gatherings.
- Developing agreed protocols for the national statistical system.
- Developing meta data standards for describing collections, particularly the quality of the statistics derived from these collections.
- Within the structure of the ABS, developing statistical centres of expertise for particular subject matters. These statistical centres should have good knowledge of all statistics produced in particular fields, not just those produced by the ABS.
- Producing Information Development Plans, in collaboration with key stakeholders, that describe the availability of existing statistics, the major gaps in these statistics or the major improvements required, and a plan for further development in the field of statistics.

In addition to making advances in this range of activities, the ABS is looking at a range of other new initiatives to improve statistical leadership.

One of the most important is the ABS' National Data Network initiative. The Network will create a distributed library of data holdings relevant to policy analysis and research. These data holdings will remain with their custodian organisations. Whilst data will be held by each custodian, the National Data Network will provide a complete catalogue of available data sources to allow users to easily search for, and access data holdings which have been published. In effect, it will provide a portal to official statistics.

The National Data Network will also provide access to a range of services to support the creation, management, integration and analysis of data.

(b) Data sources and collection

The way we collect data is changing rapidly, both in the technology available to assist in collection, and in the demand on potential respondents – it will be necessary to carefully manage the load on those asked to provide information, and use existing sources of data where possible. As a result, there will be changes in the way ABS collects data. Until the 1950s, most statistics were collected through censuses or from administrative systems such as the Customs system for international trade data or the registration systems to capture births, deaths and marriages data. Sample surveys, introduced midway through the last century, have led to an incredible increase in the amount of statistical information available, particularly on social topics.

Whilst sample surveys will continue to be the main source for official statistics, data from administrative systems are making something of a comeback as a source for statistics. With the evolution of computer technology, data from a range of administrative and transactional data bases are now more readily available. In the past, the ABS would normally have been expected to produce official statistics based on those systems, but this is no longer the case – administering agencies are often best placed to compile the statistics themselves but the ABS can provide a useful leadership and support role, as part of supporting the National Statistical Service, discussed above.

(c) Data analysis and release

Along with changes to how we collect data, there are changes in how we analyse and release data. While it is only a decade since we first established the ABS website, it is now (apart from information provided through the media) the way that most statistical users obtain ABS data. The Internet enables provision of 'self-help' facilities, which allow users to generate more of their own statistical outputs without relying on the services of ABS staff. One important 'self help' initiative is the ABS' Remote Access Data Laboratory™ (RADL™). This facility enables registered users to submit statistical processing requests directly to the ABS' microdata bases. It also enforces a range of confidentiality checks, supported by manual checks and audits to ensure data remains confidential. The release of 2006 Census of Population and Housing data will also make use of new facilities to give users more extensive access to data, while protecting confidentiality.

More generally, our sophisticated users are looking for improved access to microdata for research and policy analysis purposes. While fully understanding this need and trying to support it, the ABS will continue to ensure that it maintains the trust and confidence of respondents. Without that trust, cooperation in our surveys would be much lower and the quality of the resulting statistics would suffer. This involves finding a continuing balance. While our legislation sets limits on disclosure, it may not always be sensible to go to the limits it allows. This is an issue being debated internationally by national statistical offices, and the ABS has taken a leadership role in trying to get to an agreed position. More sophisticated ways of supporting the research community can be expected.

The ability to link datasets has been increasing, and this can make them much richer for statistical purposes as, for example, with the Census Data Enhancement project discussed earlier. The Business Longitudinal Database is another important example. Our sister agencies in many other countries have started down this path of using linked data sets for statistical purposes. We have been more careful. There are privacy issues that need to be carefully managed, as we would not do anything that would threaten the confidentiality of those that provided the data, nor are we allowed to by law. Also, we do not want to go further

than the Australian public would regard as reasonable. However, the potential benefits are significant, so linked data sets are definitely a development worth pursuing.

The year ahead

I see the year ahead as one in which there will be considerable achievements, at a time when the ABS continues to energise its leadership role for the National Statistical Service.

In 2006-07, the ABS will be collecting and processing data from the 2006 Census of Population and Housing, to update population estimates by May 2007. The first release of detailed Census results is expected in June 2007. We will also be collecting and processing data from the 2005-06 Agricultural Census, which also includes a range of data items of relevance to environmental analysis. These major collections will provide valuable information about Australia.

We will continue working on the statistical developments funded through the 2005-06 Australian Government Budget. The most notable will be the upgrades to macroeconomic statistics to meet the new international standards.

Some other areas that we will be focusing on in the coming year include:

- progressing the high priority developments identified in the population wellbeing data gaps workshop held in June 2006
- improving Australia's system of environmental statistics
- looking at new directions for statistical geography, to take advantage of emerging opportunities through advances in technology and data availability, and
- upgrading the availability of regional statistics.

As I have described here, the ABS faces a number of important strategic issues in 2006-07, particularly in developing our statistical leadership role and adapting to changes in the way data are obtained and used. The ABS will seek to lead a statistical service that is timely, relevant, responsive and respected for its integrity and quality, and to meet the expectations of users for the service to provide the most appropriate sets of statistics, of a quality fit for their needs.

We will need to balance the increase in demand for detailed data with the possibility of increasing concern about privacy issues. This is a tension that has to be managed carefully, and we will continue to work closely with the Privacy Commissioners in reaching those judgements. Although our legislation provides excellent protection of the confidentiality of information provided to us, public perceptions may be different and it is perceptions that drive the behaviour of our respondents and clients.

One of our important goals is to manage reporting load. There may be opportunities to work with other agencies to facilitate the electronic reporting of data on a consistent basis. This is likely to be a focus of attention in the coming year.

The ABS will continue to be an active contributor to official statistics internationally. This will assist in improving the comparability of statistics for Australia with those of other countries, providing users with a context for Australian figures.

Concluding remarks

The achievements outlined in this summary, as well as the ongoing production of our other statistics, would not be possible without the cooperation of those businesses and households that provide data. I would like to thank the Australian public for their continued cooperation, not just with the five-yearly population census, but with the range of other surveys conducted by the ABS throughout the year.

Also of great value to the ABS in pursuing the activities described is the assistance of the Australian Statistics Advisory Council (ASAC), under the Chairpersonship of Professor Sandra Harding, who provide valuable feedback on the ABS work program and related issues. I would particularly like to express my appreciation to Mr Wayne Jackson, who resigned from ASAC on his retirement from FaCSIA, and to Dr Peter Dawkins, who also resigned during the past year. The views of ASAC members, as well as all the other participants in the wide variety of advisory groups, help ensure that the ABS work program remains relevant and meets priority needs for statistics.

Professor Harding has indicated that she will not be seeking reappointment as Chair of ASAC when her term finishes following the November 2006 meeting. ASAC has been particularly helpful to us during the five years of her stewardship. I would like to thank her most sincerely for her excellent contribution to official statistics.

These many achievements I have described are due to the commitment and contributions of ABS staff. I was very pleased that the valuable contribution of a member of the ABS staff, Paul McCarthy, was recognised with a Public Service Medal in the 2006 Queen's Birthday honours.

During the last year, we have received great support from the Australian Government. An important element is allowing us to do our job with the independence required of a National Statistical Office. We have also had budgetary assistance to allow us to enhance Australia's set of official statistics. In addition, the Treasurer and the Parliamentary Secretary to the Treasurer have provided great support by promoting our work, particularly that relating to the 2006 Census.

This will be my last Annual Report. I must say it is a great privilege to lead an organisation like the ABS, particularly in a year that encompasses its centenary. The ABS has a fine history and, I believe, has served Australia well. It plays a vital role in an Australian democracy – not just because it provides information that provides a mirror on society – but because that information is trusted.

Dennis Trewin
AUSTRALIAN STATISTICIAN

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Chapter 2

Overview of the ABS

2.1 Introduction

The ABS is Australia's official national statistical agency. It was established, as the Commonwealth Bureau of Census and Statistics, with the *Census and Statistics Act 1905*. The agency became the 'Australian Bureau of Statistics' in 1975 with the passing of the *Australian Bureau of Statistics Act 1975*. This Act also established the role of the Australian Statistician, and defined the functions of the ABS. More information about the legislative basis of the ABS can be found later in this chapter.

The role of the ABS

The ABS provides statistics on a wide range of economic and social matters, covering government, business and the population in general. It also has an important coordination function with respect to the statistical activities of other official bodies, both in Australia and overseas.

The mission of the ABS

To assist and encourage informed decision making, research and discussion within governments and the community, by leading a high quality, objective and responsive national statistical service.

The mission of the ABS reflects the role outlined above. A new ABS Corporate Plan was released in December 2005 and it outlines the strategies the ABS plans to use to improve its performance consistent with its mission and responsibilities.

2.2 Authority and Legislation

The principal legislation determining the functions and responsibilities of the ABS is contained in the *Australian Bureau of Statistics Act 1975* (ABS Act) and the *Census and Statistics Act 1905* (C&S Act). Under the *Statistics (Arrangements with States) Act 1956*, Commonwealth and state statistical services have been integrated since 1958 (since 1924 for Tasmania). Although not covered by legislation, similar arrangements apply in both territories. There is regular consultation with state and territory governments on statistical priorities.

The ABS Act sets out the functions of the ABS, as shown in the following box. The ABS Act also established the Australian Statistics Advisory Council (ASAC).

The functions of the ABS

The functions of the ABS are:

- (a) to constitute the central statistical authority for the Australian government and, by arrangements with the governments of the states, provide statistical services for those governments;
- (b) to collect, compile, analyse and disseminate statistics and related information;
- (c) to ensure coordination of the operations of official bodies in the collection, compilation and dissemination of statistics and related information, with particular regard to:
 - i. the avoidance of duplication in the collection by official bodies of information for statistical purposes;
 - ii. the attainment of compatibility between, and the integration of, statistics compiled by official bodies; and
 - iii. the maximum possible utilisation, for statistical purposes, of information, and means of collection of information, available to official bodies;
- (d) to formulate, and ensure compliance with, standards for the carrying out by official bodies of operations for statistical purposes;
- (e) to provide advice and assistance to official bodies in relation to statistics; and
- (f) to provide liaison between Australia, on the one hand, and other countries and international organisations, on the other hand, in relation to statistical matters.

Section 6 of the *Australian Bureau of Statistics Act 1975*

The C&S Act provides the Statistician with the authority to conduct statistical collections and, when necessary, to direct a person or an organisation to provide statistical information. The Act imposes obligations on the ABS to publish and disseminate compilations and analyses of statistical information, and to maintain the confidentiality of information collected under the Act.

The ABS Act requires the Statistician to prepare, for presentation to parliament, an annual report on the operations of the ABS. The ABS Act also requires that ASAC prepares, and submits to the Minister for presentation to the parliament, a report relating to the matters connected with the operation of the Act.

There were amendments made to the *Census and Statistics Act 1905* during 2005-06 in preparation for the 2006 Census of Population and Housing. These amendments were made by the *Census Information Legislation Amendment Act* and came into effect on 20 April 2006. These amendments:

- strengthened the statutory protection afforded to name identified information provided by respondents to the Census by not only protecting it from disclosure to a Court or Tribunal for a period of 99 years but also extending that protection to explicitly prohibit disclosure to another government agency for the same period.

- amended sections to allow the transfer of Census information to the National Archives of Australia, with the consent of the individuals, not just for the 2001 Census but all subsequent censuses as well.
- implemented a number of consequential amendments arising from the *Legislative Instruments Act 2003*, which harmonised the *Census and Statistics Act 1905* with that Act.
- harmonised the criminal provisions of the *Census and Statistics Act 1905* with the *Criminal Code Act 1995*.

In 2005–06, the *Census Regulations 1994* were repealed and replaced with the *Census (2006) Regulations 2005*. These Regulations prescribed the matters about which questions were to be asked in the 2006 Census. A Proclamation by the Governor-General appointed 8 August 2006 as the Census day for 2006.

There were no amendments made to the *Australian Bureau of Statistics Act 1975* during 2005–06.

2.3 Organisational structure

The ABS is led by the Australian Statistician – a statutory office established in the *Australian Bureau of Statistics Act 1975*.

The statistical operations of the ABS are divided into two groups: Economic Statistics Group and Population Statistics Group. Each group is headed by a Deputy Australian Statistician and they are supported by a First Assistant Statistician leading the Economic Surveys and Integration Division for the Economic Statistics Group and the Social and Labour Statistics Division for the Population Statistics Group.

A third Deputy Australian Statistician position was created during 2005 to head the Services Group. The Services Group makes a significant contribution to the ABS' ability to successfully achieve its business objectives, through the delivery of corporate and technology services. There are First Assistant Statisticians leading Technology Services, Corporate Services, Methodology, and the Information Management and Census Divisions.

The Office of the Statistician is responsible for key corporate functions, which support the Australian Statistician's administrative and statistical roles.

The ABS has a central office in Canberra and regional offices located in the eight state and territory capitals. All regional offices, apart from the ACT Office, have some responsibilities for national statistical activities as well.

Regional offices are primarily responsible for the delivery of statistical services to their state or territory. These offices have ongoing engagement with state and territory governments on statistical services and their priorities, through state and territory committees set up for that purpose, and consultation processes. In Western Australia, South Australia and Tasmania, the Regional Director administering the ABS Regional Office is also the State Government Statistician.

All Regional Directors have a direct reporting line to a Deputy Australian Statistician (see organisational chart for more detail).

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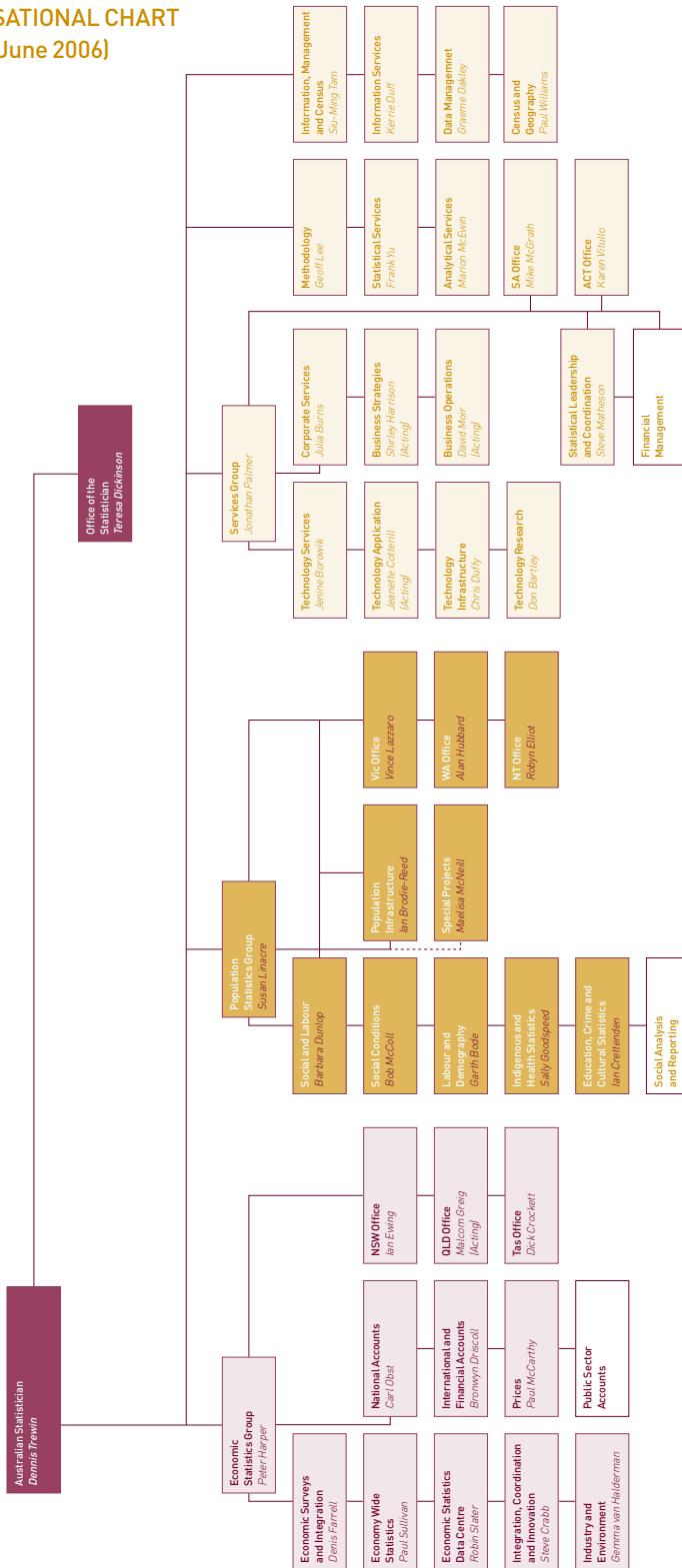
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All Regional Directors have a direct reporting line to a Deputy Australian Statistician (see organisational chart for more detail).

ORGANISATIONAL CHART
(as at 30 June 2006)



2.4 Australian Statistics Advisory Council

The Australian Statistics Advisory Council (ASAC) was established by the *Australian Bureau of Statistics Act 1975* to be the key advisory body to the Minister and the ABS on statistical services. It provides valuable input to the directions and priorities of the ABS work program and reports annually to Parliament. ASAC meets twice yearly.

The functions of ASAC, as set out in the ABS Act, are to advise the Minister and the Statistician in relation to:

- (a) the improvement, extension and coordination of statistical services provided for public purposes in Australia;
- (b) annual and longer term priorities and programs of work that should be adopted in relation to major aspects of the provision of those statistical services; and
- (c) any other matters relating generally to those statistical services.

The Chairperson of ASAC is Professor Sandra Harding, Deputy Vice Chancellor (International and Development), Queensland University of Technology.

The mission of the Australian Statistics Advisory Council is:

To ensure that, in keeping with Council's statutory charter, the advice furnished to the Minister and the Statistician in relation to the collection and dissemination of statistics has due regard to relative priorities, is objective, relevant, timely, constructive and practical, and that it is sensitive to the needs of both suppliers and users of statistical data.

All state and territory governments are represented on ASAC. The other Council members are chosen to represent a broad cross-section of perspectives, covering government, business, academic and community interests.



The Australian Statistics Advisory Council meeting on 30 May 2006.

Further information on ASAC can be found in their annual report – see www.abs.gov.au or contact the ASAC Secretariat (ABS Locked Bag 10 Belconnen ACT 2616 or 02 6252 7809).

2.5 Outcome and outputs structure

ABS Outcome

The ABS Outcome, as set out in the Portfolio Budget Statements 2005–06, is as follows:

Informed decision making, research and discussion within governments and the community based on the provision of a high quality, objective and responsive national statistical service.

This outcome is consistent with the ABS Mission as described in the ABS Corporate Plan.

ABS Outputs

Within the context of the Portfolio Budget Statements, *Output Group 1.1 – Australian Bureau of Statistics – national statistical service*, produces and disseminates statistics in two key areas to meet the above outcome; namely:

Output 1.1.1 – Economic Statistics

Output 1.1.2 – Population and Social Statistics.

Economic statistics are produced predominantly from the ABS business survey program conducted by the Economic Statistics Group, while population and social statistics are produced mainly through the ABS household survey program within the Population Statistics Group.

The ABS statistical programs are supported by service areas that deliver assistance and advice on statistical methods, data and metadata management, information technology, client management, dissemination, human resources and other corporate services. Both areas of statistics involve extensive data collection through censuses, surveys and from administrative data sources.





The Hon Chris Pearce MP,
Parliamentary Secretary to the Treasurer.

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Within the context of the Portfolio Budget Statements, the ABS has two outputs: (i) Economic Statistics; and (ii) Population and Social Statistics. Table 2.1 below provides, for 2005-06, a financial summary of ABS outputs and price of outputs against the budgeted figures, and also provides budgeted figures for 2006-07. The full financial statements are provided in chapter 25. The ABS budget is prepared under an accrual framework, consistent with the Australian Government Budget requirements.

The operating surplus of \$0.023 million in 2005-06 was in line with the balanced operating result projected at Additional Estimates. Revenue from other sources and total expenditure were both around \$3 million below budget, and primarily relate to incomplete user funded surveys.

Table 2.1 Financial resources summary (\$'000)

	Budget 2005-06 (a)	Actual 2005-06	Variance	Budget 2006-07 (b)
Price of Departmental Outputs				
Output group 1.1 – National Statistical Service				
Output group 1.1.1 – Economic statistics	137,878	133,709	4,169	139,257
Output group 1.1.2 – Population and social statistics	204,235	205,221	-986	292,207
Total output	342,113	338,930	3,183	431,464
Revenue from Government appropriation	318,622	318,622	0	413,823
Revenue from other sources	23,491	20,217	3,274	17,641
Total Price of Outputs	342,113	338,839	3,274	431,464
Total for Outcome 1	342,113	338,839	3,274	431,464
Staff years (number)	2,832	2,987	-155	3,300

(a) Budget 2005-06 – full year budget, including additional estimates.

(b) Budget 2006-07 – budget prior to additional estimates.

2.6 Responsible Minister

The ABS is an agency under the Treasury portfolio. The Minister with portfolio responsibility for the Australian Bureau of Statistics is the Hon. Chris Pearce MP, Parliamentary Secretary to the Treasurer.

2.7 Financial position

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(a) Budget 2005-06 – full year budget, including additional estimates.

(b) Budget 2006-07 – budget prior to additional estimates.

The ABS does not administer any discretionary grants. It conducts a scholarship program in conjunction with four Australian universities (see chapter 19 for more information).

The breakdown of revenue raised from other sources is shown in Table 2.2 below.

Table 2.2 Revenue raised from other sources (\$'000)

	2003–04	2004–05	2005–06
Revenue raised from statistics			
Publications	1,071	776	270
Other standard products	4,603	4,293	1,781
Information consultancy	4,432	4,814	4,491
Statistical consultancy	833	784	1,207
User funded surveys	3,083	4,465	8,159
Other products and services	4,738	4,100	3,693
<i>Total revenue raised from statistics</i>	<i>18,760</i>	<i>19,232</i>	<i>19,600</i>
Other revenue	680	1,587	617
Total	19,440	20,819	20,217

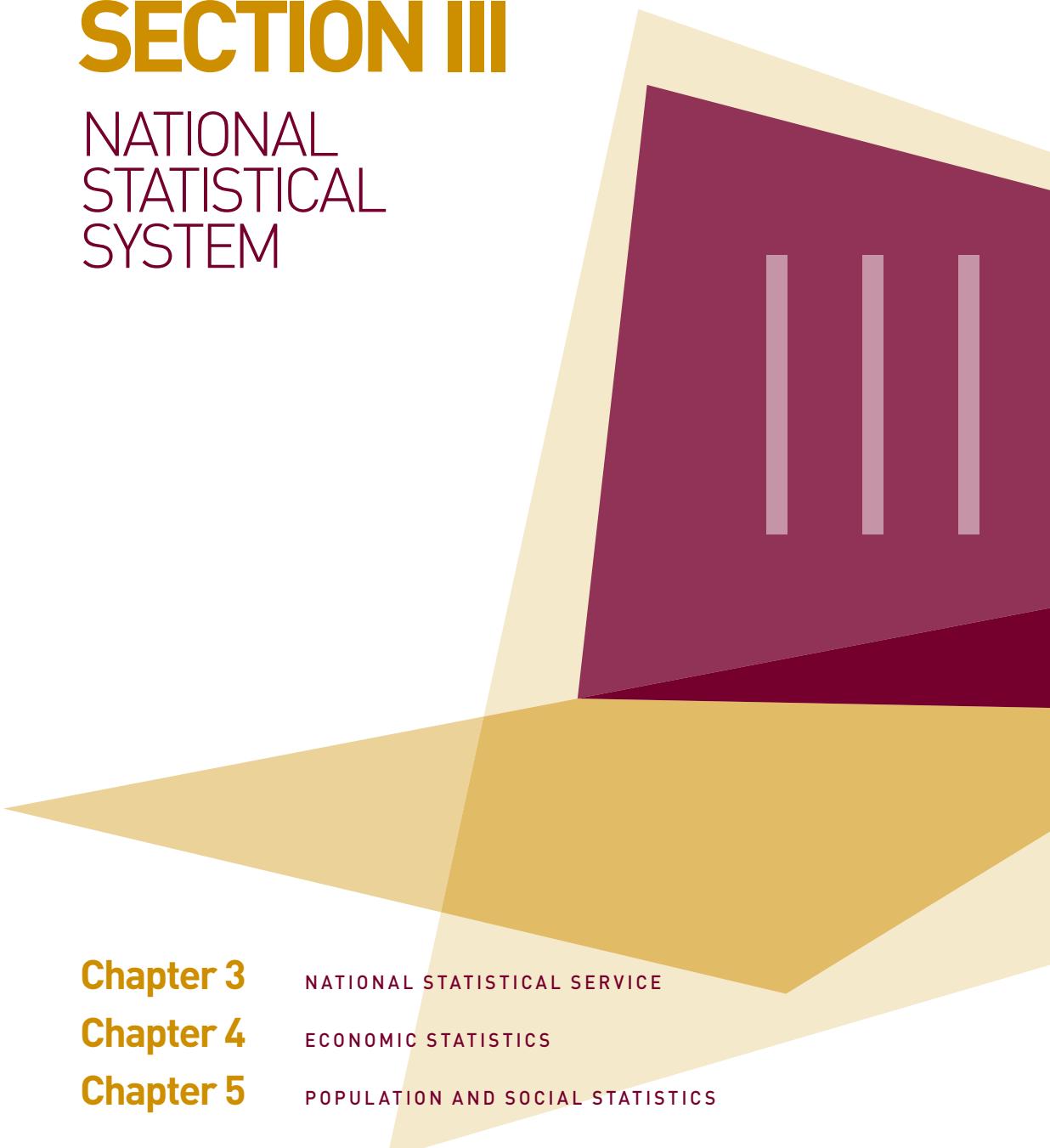
Total revenue declined slightly in 2005–06 compared to 2004–05, despite a 2 per cent increase in revenue raised from statistics. Other revenue fell relative to the previous year largely because of the one-off International Statistical Institute conference hosted by the ABS in 2004–05.

Substantial increases in revenue were recorded against statistical consultancy and user funded surveys, reflecting ABS' commitment to increasing its engagement with statistical users. Revenue from user funded surveys was budgeted to be approximately \$3 million higher in 2005–06 and, although additional cash of this magnitude was received in 2005–06, it remained as unearned at 30 June 2006.

The ABS recorded significant declines in revenue from publications and other standard products. This was directly attributable to the Australian Government decision to provide free access to all publications and other statistical products on the ABS web site during 2005–06 and the cessation, as a result, of the subscription service for hardcopy publications.

SECTION III

NATIONAL STATISTICAL SYSTEM



Chapter 3

The ABS and the National Statistical Service

Introduction

The ABS provides statistics on a wide range of economic and social matters, covering government, business and the population in general. It is involved in extensive data collection through censuses, surveys and from administrative data sources. However, the ABS is just one of many providers of statistics that are used to inform research, discussion and decision making within governments and the community (albeit the largest). The relative importance of other providers is likely to increase with the greater use of administrative data for statistical purposes.

- The **national statistical system** consists of the organisations and arrangements, formal and informal, that together provide statistics.
- Australia's **national statistical service** is the range of statistical services that are collectively provided for Australia.

The national statistical service provides an accurate, up-to-date, comprehensive and meaningful picture of the economy, society and the environment to support the formulation and monitoring of policies.

For Australia, responsibility for an effective national statistical service lies with the ABS. The ABS' enabling legislation, the *Australian Bureau of Statistics Act (1975)*, establishes the ABS as Australia's central statistical authority, responsible for providing statistical services to all Australian governments, and the community. The functions described in the legislation provide for ABS to both collect, compile, analyse, and disseminate statistics, and to work with other organisations on statistical activities.

Statistical leadership

Statistical leadership has grown in importance due to a number of factors, including the increasing complexity of the Australian economy and society (meaning that production of existing statistics is often commensurately more complex), and the increasing plurality of data providers. The wide range of statistics being produced by agencies other than the ABS, including through administrative and transactional data bases, is driving a need to ensure that the overall Australian statistical system is cohesive, and that the ABS role in this system is clearly defined. These changes coincide with an Australian government agenda that is emphasising greater information sharing (create once, use many), and coordinated policy and program initiatives across agencies.

To provide statistical leadership, the ABS has broadened the concept of its statistical role to exercise leadership not only in relation to statistics collected by the ABS, but also data produced or available from other government and non-government agencies.

The agencies who own data are often best placed to produce statistics from these data bases as long as they have the staff with the appropriate skills. However, where other agencies do not have the appropriate skills, the ABS is often asked to assist.

The ABS has identified a variety of activities to progress the role as a statistical leader:

- develop and promulgate statistical frameworks and standards, consistent with relevant international standards, to promote coherence
- provide facilities to help with the application of these frameworks and standards
- advise on statistical methods, quality and other processes to maximise the quality and credibility of statistics
- advise on management of statistical data
- provide support for collection activities
- develop the skills of those involved in the production and analysis of statistics
- enhance accessibility to national statistics through the National Data Network or other means.

National Statistical Service

In pursuing the development of the National Statistical Service, a unit, the NSS Leadership Branch, was established in February 2006. The Branch assists the ABS in improving the management of external relationships and advancing its statistical leadership role. To further support these endeavours, two additional senior executive positions were also created in the Economic and Population Statistics Groups to allow an increased focus on building and strengthening collaborative arrangements with agencies at senior levels.

Some of the main achievements in terms of the National Statistical Service are:

- the National Data Network, a national platform for acquiring, sharing and integrating data relevant to policy and research, was further developed. The National Data Network is planned to move from demonstration to production phase during the first part of 2007 (see chapter 11 for more information)
- in close consultation with other agencies, information development plans are progressively being developed and supported to identify and prioritise information needs across areas, sectors or population groups together with plans for meeting these needs (see chapter 11 for more information)
- supporting the Australian Government Statistical Forum, and fora in each state and territory, to share information on better statistical practice (see chapter 11 for more information)
- outposted statistical officers assisted a range of Australian, state and territory governments and agencies. Outposted officers facilitate the access to, and understanding of, statistics, and strengthen statistical coordination across host agencies. Some outposted officers complete specific project work to assist the host agency (see chapter 9 for more information)
- the external training program conducted by the National Statistical Training Institute was reviewed to target the content and structure of courses more at users needs, and a number of training courses were conducted for users of ABS statistics (see chapter 9 for more information) and
- a range of stronger collaborative relationships with other agencies were developed. (see chapter 11 for more information)



The Hon Peter Costello MP, Treasurer, speaking at the event celebrating the centenary of the ABS and 100 years of statistics on 8 December 2005.

ABS statistical programs – the ABS as part of the National Statistical System

As noted earlier, the ABS is the largest contributor to Australia's national statistical system. The ABS has statistical programs covering economic statistics and population and social statistics (the two outputs of the ABS). These programs both produce a wide range of statistical information, as well as activities to advance the national statistical system and support other contributors to the national statistical service.

At the broad level, the activities undertaken within these statistical programs cover:

- developing, producing, analysing and disseminating high quality statistics in a cost effective way
- coordinating and facilitating the development, production and dissemination of statistics by others, and
- providing comprehensive and integrated standards, classifications and frameworks for areas of statistics.

The work schedule of the statistical programs is determined after extensive consultation with governments, businesses and community groups, and with the advice of the Australian Statistics Advisory Council. Active use is made of the range of user, reference and advisory groups that have been established to engage with users of statistics. These are explored further in chapter 9.

In determining the work program, account is taken of the:

- needs of key users
- benefit of statistics to decision makers and researchers
- load on data providers
- availability of skilled resources to undertake the work, and
- costs associated with the activities.

As well, the ABS seeks to ensure that its activities complement the activities of other agencies, resulting in a comprehensive statistical service for Australia.

The effectiveness and efficiency of the statistical programs is enhanced by wide ranging inputs from the ABS corporate and statistical support areas. These inputs include methodological, technological, dissemination, human resource and financial support.

The ABS continues to improve the efficiency and productivity of its survey operations and staff through the re-engineering of its business processes. On the economic statistics side, an Input Data Warehouse (IDW) and an E2E (end to end) systems environment are now well established with several collections using the new arrangements. On the population statistics side, work has continued on the development of integrated end-to-end information technology systems and processes for household surveys, and improved work practices. For more information on these issues, see chapter 15 and chapter 17.

The following chapters present the key directions and highlights for economic statistics and population and social statistics. The section on population and social statistics includes additional information on the preparations for the 2006 Census of Population and Housing, which was a major activity in 2005–06.

Chapter 4

The Economic Statistics Program

Introduction

The Economic Statistics program provides a range of statistics that are used by governments, businesses and community groups to: formulate and assess economic policies (at both macro and micro level); evaluate economic performance; understand the drivers of economic growth; and understand the structure of, and the emerging trends in, the Australian economy. State, territory and regional dimensions of these issues are important, and emphasis is given to servicing these statistical needs. Further, the international comparability of economic statistics is a key aspect in which the ABS plays an active role.

The Economic Statistics program also provides a range of environment and energy statistics and provides a focal point for the ABS to meet the growing need for information in this area. These data directly assist in the management of the nation's environmental and natural resources. Regional dimensions of the data are of particular importance and the ABS has invested in methods aimed at improving regional environmental data.

The full list of the areas within the Economic Statistics program is included at the end of this section.

The ABS framework for economic statistics is based on the United Nations System of National Accounts 1993 (SNA). The SNA provides a comprehensive framework for compiling economic data in a coherent and consistent manner for the purposes of economic analysis and the compilation of national accounts in particular. A range of other connected international standards are also used including the Balance of Payments Manual (BPM), the standards on Government Finance Statistics, manuals on Consumer and Producer Price Indexes and Research and Development Expenditure.

For environmental statistics, the ABS is engaged in international collaboration on the implementation of a framework to support environment and energy statistics known as the System of Environmental-Economic Accounts (SEEA). The SEEA is aligned with the SNA and will meet the needs of users for a coherent and consistent data system that allows for integrated environmental-economic analyses (for example, links of resource use and emissions to economic growth and distribution of income and wealth).

The main economic indicators released by the Economic Statistics program are the quarterly national accounts (containing the latest estimates of gross domestic product (GDP) and household saving) the quarterly consumer, producer and house price indexes, the quarterly balance of payments, the quarterly wage price index, the quarterly business indicators publication and the monthly retail trade publication. These sub-annual releases provide a comprehensive picture of Australia's economic performance and form the basis for economic commentary, analysis and policy development.

A wide range of other statistics are also produced. The sub-annual statistics focus on more targeted areas of the economy such as capital expenditure, building activity, government finance statistics, housing finance and tourist accommodation. Annual publications provide more detailed structural information on the Australian economy, including areas such as innovation and research and development.

Statistical developments in 2005–06

Considerable effort is made to continually improve those statistics produced regularly, either to enhance the range or quality of the statistics or to improve the standards, methods and ways in which the statistics are produced. This section highlights the significant statistical improvements and developments during 2005–06.

1. Release of the 15th series Consumer Price Index

The Consumer Price Index (CPI) measures the change over time in the total price of a fixed basket of goods and services acquired by household consumers and is a core statistic for many policy and indexation purposes. To ensure its relevance, it is important to update the basket and item weights periodically to reflect changes in the range of goods and services available and changes in household spending patterns. The previous basket (14th series) was introduced in the September quarter 2000. The 15th series was linked into the CPI in the September quarter 2005.

When new expenditure weights are introduced, the ABS typically undertakes a review of the CPI to ensure that it continues to serve its purpose as the best measure of household inflation. The 15th series was a minor review. The main changes introduced were to:

- update the CPI basket and weighting patterns
- introduce financial services into the CPI in a new group for financial and insurance services, and
- introduce a hedonic price index¹ for computers.

More information on the changes was published in *Information Paper: Introduction of the 15th series Australian Consumer Price Index, 2005* (cat. no. 6462.0).

2. Publication of an upgraded House Price Index

In response to widespread concern about the quality of data on changes in house prices, the ABS developed and released an upgraded price index for established houses in December 2005. The main aims in producing the new index were to obtain greater consistency in the methods used to compile the series for each of the eight capital cities, to better control for the effects on prices of the change in the mix of the types of houses sold each quarter, and to record the prices on the date that contracts are exchanged rather than the date of settlement of contracts. The new indexes for established house prices are based on medians aggregated for a number of strata (suburbs or groups of suburbs) within each capital city, and the number of strata within each city has been increased significantly compared with the old series.

Details on the developments were published in *Information Paper: Renovating the Established House Price Index* (cat. no. 6417.0)

¹ Using the statistical relationship between observed price changes and changes in the characteristics and qualities of the goods, a hedonic price index is developed that measures relative price changes while holding quality and underlying characteristics constant.

3. Release of the updated industry classification, ANZSIC 2006

Industry classifications play a key role in providing a common base by which data compilers and analysts can consider the structure of the economy. As economic structures change, new classifications are required and a new edition of the Australian and New Zealand Standard Industrial Classification (ANZSIC) was released in February 2006 (cat. no 1292.0). This was the culmination of three years extensive consultation, by the ABS and Statistics New Zealand, with users and providers of economic statistics in both countries and takes account of developments in the International Standard Industrial Classification (ISIC), which is due for release next year. At the 2 digit level, it will fully concord with ISIC.

For further details, see chapter 7 (special article on ANZSIC 2006 development and implementation).

4. Incorporation of improved tax data and other changes into the national accounts

A wide range of information is used to produce estimates of economic growth (GDP) within the national accounts framework. One of the most important data sources is Business Income Tax (BIT) data. The new tax system afforded opportunities to improve the incorporation of BIT data for use in the national accounts, including data sources used for the national accounts, and these improved data were initially used in 2005.

At the same time as implementing this change, which affected the estimated size of GDP, various other changes were introduced to improve methods and data sources for components of GDP. These included updating benchmarks for expenditure on alterations and additions made to houses, improving measures of information and communication technology related estimates, changing methods for measuring compensation of employees and improving approaches to measuring the value added by the construction and agriculture industries.

5. Collaborations in the analysis of business survey microdata

Five trial collaborations were undertaken during 2005-06 to explore scope for engaging researchers from other government agencies and to assist the ABS conduct research and analysis of business survey microdata. These collaborations operated under strict legislative provisions of the *Census and Statistics Act 1905*. The five trial projects were with:

- Australian Bureau of Agricultural and Resource Economics – Identifying changes to farm management behaviour as a result of the 2002-03 drought
- Bureau of Transport and Regional Economics – Investigating the disparities of Survey of Motor Vehicle Usage data, compared with other assessments of transport activity, and recommending improvements to survey methodology
- Productivity Commission – Examining the link between water use, salinity, land management and farm performance, to assess the effectiveness of water use in agricultural activity
- Department of Industry, Tourism and Resources (DITR) – Increasing knowledge of the innovation dataset and the techniques and tools best applied to analyse the data
- University of South Australia – Examining the drivers of business innovation in Australia

The collaboration with DITR resulted in a joint ABS/DITR publication (*Patterns of Innovation in Australian Businesses, 2003* (cat. no. 8163.0)) and a DITR publication (*Collaboration and other factors influencing innovation novelty in Australian businesses – an econometric analysis*).

6. Finalisation of a strategy for the Business Longitudinal Database and the associated Integrated Business Characteristics Survey

Following approval in the 2005–06 Australian Government Budget for the building of a Business Longitudinal Database (BLD), the ABS consulted extensively with users regarding its design and sources of data for the survey, including existing and new ABS surveys, and administrative sources. Data for the first stage are being collected and compiled, and initial results are expected to be released in December 2006. The new Integrated Business Characteristics Survey, which combines existing Innovation and Business Use of IT surveys with other data required for the BLD, will be implemented from 2007.

7. Release of an Information and Communication Technology satellite account

Information and communication technology (ICT) goods and services play a central role in the Australian economy. However, they are difficult to define and measure. The development of a satellite account has brought together the available information in a framework that considers both the supply and the use of these products and seeks to reconcile the various pieces of data. The satellite account presents information on the contribution of ICT to GDP and shows the relative importance of key ICT industries and products.

The ICT satellite account was released in March 2006 (*Australian National Accounts: Information and Communication Technology satellite account, 2002–03* (cat. no. 5259.0)) and it is only the second of its type in the world. It continues a strong tradition of producing detailed analysis of particular sectors of the economy using satellite accounts techniques.

8. Development of improved trade in services statistics

The frame and benchmarks used for the Survey of International Trade in Services were improved following an extensive coverage exercise. In addition, a number of new methodologies and data sources were introduced into the travel series including:

- a new methodology and a new data source for education related travel credits
- a new data source for traveller expenditure in business and other personal travel (excluding education) debits
- a reclassification of data for conference and convention travellers for both credits and debits, and
- a change to the treatment of data for visitors on prepaid package tours (credits).

9. Release of information on business demographics

The past year saw the release of the following publications, which together significantly advanced users' understanding of the demographic characteristics of businesses:

- *Information Paper: A Statistical View of Counts of Businesses in Australia* (cat. no. 8162.0)
- *Australian Bureau of Statistics Business Register, Counts of Businesses* (cat. no. 8161.0.55.001)
- *Experimental Estimates: Entries and Exits of Business Entities* (cat. no. 8160.0.55.001)
- *Characteristics of Small Business* (cat. no. 8127.0)

10. Development and agreement with users on a framework for foreign affiliates statistics

There is an on-going strong demand for statistics measuring the economic activities of Australian controlled companies operating overseas and foreign controlled enterprises operating in Australia, including Australian resident parents of foreign affiliates. These statistics are called Foreign Affiliates Statistics, and major policy departments and analysts have identified them as vital to improving trade and investment policy decisions and negotiations. The ABS has developed a framework underpinning the collection and production of these that is consistent with the established Balance of Payments framework, addresses the major policy needs, and places the ABS in a position to provide leadership in the international development of Foreign Affiliates Statistics.

11. Collection of natural resource management statistics

In response to a demand for a more extensive range of Natural Resource Management (NRM) statistics, the ABS commenced a biennial collection of statistics on a range of NRM topics. Native vegetation, weeds, pest, land and soil, and water were the five priority topics included in the 2004–05 NRM survey. The survey asked farmers to identify the extent and type of NRM issues present on their land and the activities they undertook to prevent or manage them. The results provide an important perspective into NRM issues and activities occurring on Australian farms, a perspective that may differ from scientific or satellite assessment.

12. Trials of land parcel methodology

An alternate survey methodology was trialled for collecting data about land-based activities, especially in relation to natural resource management issues. The land parcel survey project published results from two trials undertaken during 2005–06 – *Land Management: Eurobodalla Shire NSW 2003–2004* (cat. no. 4651.0) and *Land Management: Fitzroy and Livingstone Shires Queensland 2004–2005* (cat. no. 4651.0). The trials demonstrated the potential for using digital land parcel maps to provide a basic framework for land ownership that, when combined with land owner, land area and land use detail, can create a land cadastre suitable for use as a survey framework. In response to the success of these trials and the interest generated in the approach, the Environment and Energy Statistics program is considering how best to introduce the land parcel methodology into the regular ABS survey program.

13. Preparation for the 2005–06 Agricultural Census using a frame from the Australian Business Register

Significant preparations for the 2005–06 Agricultural Census were undertaken during the year. A feature of the 2005–06 Agricultural Census is that it will be based on a business survey frame drawn from the Australian Business Register for the first time. The Census is the largest business collection undertaken by the ABS. Approximately 190,000 survey forms have been mailed to agricultural businesses. This is a significant increase in size from previous Censuses, and will result in a welcome increase in coverage for many users of agricultural statistics.

14. Advances in water accounting

Water is a key theme of the Environment and Energy Statistics program. The second in a series of publications presenting detailed estimates on agricultural water use and management was released. Water use data were collected and a new Water Supply and Sewerage Services Survey was conducted in order to compile the Water Account, 2004–05. A Water Resource Accounting Workshop was jointly hosted by the National Water Commission and the ABS in late June 2005. The workshop recognised that water accounting to support the National Water Initiative is about integrated national accounting, measurement and monitoring, and is fundamental to achieving better water use and management in Australia. The workshop clearly recognised the importance of using standard definitions and systems for the production of water accounts.

Developments in client engagement and output enhancement

The Economic Statistics program has been increasing its engagement with clients to better understand the policy drivers and analytical requirements and better explain the decisions the ABS makes on statistical priorities. This has been an increasing focus for senior staff, particularly those located in National Statistical Centres. One important output of these activities is the articulation of Information Development Plans in selected fields.

Review of the service industry survey program

An example of this engagement was the review of the service industry survey program which was undertaken as part of an overall strategy to provide relevant statistics about the service industries. Over forty submissions were received from stakeholders of the survey program. The information provided became important input into determining the relative priorities within the survey program. A survey program for the 2006–07, 2007–08 and 2008–09 reference years was established and discussions have commenced on the development of the Cafes and Restaurants, Accommodation, Film and Video Production, Television, Music and Theatre Production and Performing Arts Venues topics scheduled for 2006–07.

Mesh block coding for the Agricultural Census

A major initiative to expand the amount of data available was announced at the launch of the 2005–06 Agricultural Census. The Parliamentary Secretary to the Minister for Agriculture, Fisheries and Forestry gave notice that the Department of Agriculture, Fisheries and Forestry, together with the Department of the Environment and Heritage, will provide one million dollars through the National Heritage Trust to progress the coding of farm businesses to new ABS geographical building blocks known as mesh blocks. The National Water Commission has announced that it too will provide one million dollars for the project. By coding farm businesses in the Agricultural Census to mesh blocks, the ABS will be able to meet the needs of users to disseminate results for more flexible geographical areas such as Natural Resource Management regions, river basins and water catchments. An address coder being developed by the ABS will assist with consistent coding across ABS and non-ABS data sources.

Contribution to environment reporting

There is considerable support for the ABS to take a more prominent role in environment reporting in Australia. Several fora have highlighted the need for an enduring environmental

reporting system that is based on datasets that are collected in a nationally consistent way over a long period of time. In March 2006, the Environment and Energy Statistics program advisory board discussed a proposal on how the ABS could contribute to such a system. A key aspect of the ABS proposal was that the custodian of the underlying data sets will not change (unless there is agreement to do so).

As part of the support being given to the ABS to take a more prominent role, the ABS were invited to join a Working Group on Improved Environmental Reporting Systems in Australia. Chaired by the Department of the Environment and Heritage, the group includes members from the Department of Agriculture, Fisheries and Forestry, National Land and Water Resources Audit, the 2006 State of the Environment Committee Chair, and representatives from Queensland and South Australian government agencies.

Table 4.1: Economic Statistics programs

National Accounts	The National Accounts program provides quarterly and annual data about the level of economic activity and the structure of the Australian and state economies within a coherent system of concepts and classifications.
International Accounts	The International Accounts program provides statistics on Australia's balance of payments (BOP) and international investment position and periodic information on the activities of non-resident affiliates of Australian enterprises and Australian affiliates of non-resident enterprises.
International Trade	The International Trade program provides statistics on Australia's exports and imports of goods and services. Statistics on merchandise (goods) exports and imports are derived from records lodged by exporters and importers with the Australian Customs Service.
Financial Statistics	The Financial Statistics program compiles statistics on the financial assets, liabilities, borrowing and lending of financial institutions, and on the stocks and flows of finance for the various sectors of the economy.
Public Sector Accounts	The Public Sector Accounts program provides Government Finance Statistics (GFS) in respect of the Australian government, state and territory governments, their public non-financial corporations and public financial corporations, universities and local governments. The statistics are compiled predominantly from administrative data sources.
Prices Program	The Prices program compiles the Consumer Price Index (CPI), the House Price Indexes (HPI), the Labour Price Index (LPI), which is an annual series comprising a quarterly Wage Price Index (WPI) and an annual non-wage price index, and a range of Producer and International Trade Price Indexes (PPIs and ITPIs).
Business Indicators	<p>The Business Indicators program is responsible for the provision of a range of sub-annual main economic indicators. The indicators include:</p> <ul style="list-style-type: none"> • monthly statistics of turnover by retail and selected service industries • quarterly statistics of company profits, inventories, sales and labour costs • quarterly statistics of actual and expected new capital expenditure • quarterly statistics of actual and expected mineral and petroleum exploration. <p>These data are essential inputs into the compilation of quarterly and annual national accounts and Input-Output tables.</p>
Economy Wide Statistics	The Economy Wide Statistics program is responsible for the provision of annual statistics that measure changes in the operations, structure and performance of all private and public trading enterprises (with the exception of finance and insurance). These statistics are derived from an annual economic activity survey and Business Income Tax data from the Australian Taxation Office.

Business Demographics	The Business Demographics program is responsible for the provision of a range of information about the structure, characteristics and performance of the economy and conceptual developments regarding business definitions and classifications. This information is part of a consistent framework for all ABS business statistics and includes the development of an Integrated Business Characteristics Strategy. A particular but not exclusive focus of the program is on providing information about small businesses.
Innovation and Technology Statistics	The Innovation and Technology Statistics program provides data to assist the understanding of the impact of research, experimental development, innovation and new technologies on economic and social outcomes. It provides measures of the penetration of selected new technologies, particularly information and communication technology (ICT), within Australia.
Agriculture	The Agriculture program aims to satisfy the statistical needs of agricultural policy makers and other key users of agricultural statistics by providing reliable and relevant information on commodity production, as well as the economic and environmental aspects of agricultural operations. The main collections include an annual agricultural survey, a five-yearly agricultural census, and a range of monthly, quarterly and ad hoc surveys covering specific aspects of agriculture and related activity.
Mining	The Mining program provides annual data about the structure, performance and production of the mining, electricity, gas, water and sewerage industries, as well as quarterly data on private sector exploration for minerals and petroleum in Australia.
Manufacturing	The Manufacturing program provides statistics on the structure, financial operations, performance and production of the manufacturing industry.
Construction	The Construction program provides regular data on levels of activity in residential building, non-residential building and engineering construction. It also provides periodic statistics on the structure, performance and characteristics of the construction industry.
Transport	The Transport program provides statistics about transport related activities particularly relating to the composition and use of the road fleet in Australia. It also produces periodic statistics on the structure, performance and characteristics of the transport industry.
Service Industries	The Service Industries program provides detailed information about the operations, performance and structure of Australia's service industries, including the not-for-profit sector, through a comprehensive program of periodic collections and use of non-ABS collected data. Statistics are produced for particular industries and activities in the following sectors of the economy: retail; wholesale; accommodation and restaurants; transport; telecommunications; property and business services; health; community services; culture; recreation; and personal services.
Tourism	The Tourism program is responsible for producing regular, timely and coherent data on tourism activities. Data include the Australian Tourism Satellite Account, overseas arrivals and departures, tourism related exports and imports indicators, Survey of Tourist Accommodation and data collected under the Service Industries program.
Environment and Energy	The Environment and Energy program provides a focal point for the ABS to meet the growing need for environment and energy information by integrating environmental, economic and social data.

Chapter 5

The Population Statistics program

Introduction

The Population Statistics program provides statistics describing the characteristics and wellbeing of Australia's population, and how people's lives are changing over time. It includes measures of the size, distribution and composition of the population and covers a broad range of social topics. There is also work focussing on different groups in the population.

Underlying the notion of population wellbeing is a range of fundamental human needs and aspirations, each of which can be linked to an area of social concern. These areas of social concern have been encapsulated in frameworks produced by the United Nations, the Organisation for Economic Co-operation and Development, and others. Not surprisingly, governments have implicitly identified with this range of needs and aspirations and they have become the focus of social policy development and program and service delivery, and are reflected in many of the structures and priorities of government.

The ABS framework for social statistics, as published in *Measuring Wellbeing: Frameworks for Australian Social Statistics* (cat. no. 4160.0), is built around two key dimensions. The first relates to a number of key areas of social concern: health; family and community; housing; education and training; work; economic resources; crime and justice; culture-leisure; and population. The second dimension focuses on population groups which are of particular interest to the community and to governments for reasons such as their special need or disadvantage. These groups include: older people; children; youth; families with children; long-term unemployed; lone parents; people with disabilities; carers; recipients of various government benefits; low income earners; Aboriginal and Torres Strait Islander persons; and people whose language background is not English.

Statistical developments in 2005-06

Statistics produced by the Population Statistics program include some regular series as well as a range of measures that are produced less frequently or on a periodic or one-off basis. The regular series include monthly labour force measures; quarterly population estimates; quarterly average weekly earnings figures; annual statistics on recorded crime, courts and prisoners; and annual causes of death statistics.

In 2005-06, survey results released from less frequent series included:

- 2003-04 Household Income and Expenditure Survey
- 2004-05 National Health Survey
- 2004-05 National Aboriginal and Torres Strait Islander Health Survey
- 2005 National Crime and Safety Survey, and
- 2005 Survey of Education and Training.

While many of the statistics produced by the program are sourced from ABS household or business surveys, others are sourced from administrative data provided by other agencies.

There is also an ongoing focus on enhancing the usefulness of the available data and improving the measures that are produced.

Significant statistical developments during 2005–06 are outlined below.

1. Completion of preparations for the 2006 Census of Population and Housing

The preparations for the 2006 Census of Population and Housing, conducted on 8 August 2006, constituted a major component of work in 2005–06. During this period, redevelopments in field operations were completed, and redevelopments in census processing and output systems were well advanced. The Data Processing Centre in Melbourne was established, and it processed data from the Dress Rehearsal, held in August 2005 to provide assurance that systems are in good order. Development of the eCensus was almost complete – the 2006 Census is the first time people will be offered the opportunity to complete their Census form over the internet. Census forms were printed, and most of the Census field staff recruited. For more information on the 2006 Census, see the box in this chapter.

2. Completion of the design and methodology for the 2006 Census Post Enumeration Survey

After each Census of Population and Housing, a Post Enumeration Survey (PES) is conducted to produce estimates of the proportion of the population missed or counted more than once in the Census. The PES provides information for users on the quality of the Census, and is used with the data from the Census to produce estimates of the population. To improve the quality of the estimates, the 2006 PES is being extended to include remote area and discrete Indigenous communities and some categories of non private dwellings that were previously excluded. In 2006–07, information papers will be published about the PES and how the data it collects will be used in estimation.

3. Development of a new method for estimating net overseas migration

An improved method of estimating net overseas migration has been developed and is expected to be implemented in ABS population estimates in June 2007 with the release of the December quarter 2006 issue of *Australian Demographic Statistics* (cat. no. 3101.0). This review has arisen in response to the changing patterns of travel into and out of Australia, in particular the increased propensity for travellers to interrupt longer periods of stay or absence with short trips.

Information paper: Improved Methods for Estimating Net Overseas Migration (cat. no. 3107.0.55.003), which was released on 10 February 2006, provides more information on the proposed changes.

4. Release of additional information about labour force participation

There has been an increased focus on issues around participation in the labour force in recent years, particularly around the potential impact of the ageing population on society and the economy. To respond to this, the ABS included additional sets of questions in the 2004–05 Multi-Purpose Household Survey, with the results released during 2005–06 in the publications *Barriers and Incentives to Labour Force Participation, Australia* (cat. no. 6239.0) and *Retirement and Retirement Intentions, Australia* (cat. no. 6238.0).

5. Release of estimates of household wealth and wealth distribution

The economic wellbeing of individuals is largely determined by their command over economic resources. People's income and reserves of wealth provide access to many of the goods and services consumed in daily life. Measures of household wealth (net worth) and its distribution, that are both comprehensive and integrated with those of income and expenditure, were published this year for the first time in *Household Wealth and Wealth Distribution, Australia, 2003-04* (cat. no. 6554.0). This publication provides indicators of the components and distribution of household net worth, or wealth.

6. Release of new and updated measures and analyses of Indigenous health and wellbeing

Two new releases provided information about the health and wellbeing of Aboriginal and Torres Strait Islander Australians.

The publication *Labour Force Characteristics of Aboriginal and Torres Strait Islander Australians, Experimental Estimates from the Labour Force Survey, 2002 to 2004* (cat. no. 6287.0) presented information about the labour force characteristics of Aboriginal and Torres Strait Islander Australians, by sex, age, state or territory, and remoteness. The statistics in this publication were compiled from the monthly Labour Force Survey, conducted throughout Australia. Monthly data have been pooled to produce annual estimates.

The publication *National Aboriginal and Torres Strait Islander Health Survey, 2004-05* (cat. no. 4715.0) presented results from the largest health survey of Indigenous Australians conducted by the ABS. The sample size was 10,439 persons (or about one in 45 of the total Indigenous population), considerably larger than the supplementary Indigenous samples in the 1995 and 2001 National Health Surveys. This survey, which was conducted in remote and non-remote areas throughout Australia, collected a range of information from Indigenous Australians about health related issues, including health status, risk factors and actions, and socioeconomic circumstances.

7. Development of the new occupation classification

The Australian and New Zealand Standard Classification of Occupations (ANZSCO), the new standard classification of occupations, will be implemented in the 2006 Census, and plans have been developed for its implementation in the Monthly Population Survey and other relevant ABS collections. ANZSCO is the product of a development program undertaken jointly by a project team from the ABS, Statistics NZ and the Australian Government Department of Employment and Workplace Relations, for use in the collection, publication and analysis of occupation statistics. The use of ANZSCO will result in improved comparability of occupation statistics produced by the two countries. ANZSCO will replace the existing Australian Standard Classification of Occupations (ASCO) Second Edition and the New Zealand Standard Classification of Occupations (NZSCO) 1999.

More information is available in *Information paper: ANZSCO – Australian and New Zealand Standard Classification of Occupations 2005* (cat. no. 1221.0), released in September 2005.

8. Compilation of data on aspects of social capital

Social capital is a broad term, defined as 'networks, together with shared norms, values and understandings which facilitate cooperation within or among groups'. It relates to the

resources available within communities in networks of mutual support, reciprocity, trust and obligation. It can be accumulated when people interact with each other in families, workplaces, neighbourhoods, and local or other associations, whether face-to-face or by other means of communication, including the telephone, text messaging or the range of forms of interaction made possible by the Internet.

In 2005–06, the ABS drew together data on aspects of social capital available from various ABS sources. The outcomes of this work are contained in the publication *Aspects of Social Capital, Australia, 2006* (cat. no. 4911.0), to be released in July 2006. In addition, a new set of question modules on social capital, designed to provide a more comprehensive set of data, has been developed for inclusion in the 2006 General Social Survey along with a repeat of the voluntary work survey.

9. Progress on the Census Data Enhancement project

The Census Data Enhancement (CDE) project aims to enhance the value of data from the 2006 Census of Population and Housing and subsequent censuses by creating a Statistical Longitudinal Census Dataset (SLCD) for a five per cent sample of the Australian population. This project has proceeded in line with the Statement of Intention published on the ABS web site in August 2005, which followed initial consultation on a proposal in 2004–05 and the preparation of a Privacy Impact Statement. This work will bring together data through statistical techniques rather than matching based on name and address. Names and addresses will not be kept.

Work has focused on assessing matching methodologies, developing options for selection of the sample, and developing protocols, infrastructure and processes for ensuring confidentiality of the dataset. In June 2006, the ABS released *Information Paper – Census Data Enhancement Project: An Update* (cat. no. 2062.0), outlining the current plans for CDE. This paper included a description of some of the potential statistical studies that could be undertaken using the SLCD.



ABS census collector commencing distribution of the 13.9 million census forms.

Preparations for the 2006 Census of Population and Housing

The Census of Population and Housing is the largest statistical collection undertaken by the ABS, and one of the most important. Its objective is to accurately measure the number and key characteristics of people in Australia on Census Night, and the dwellings in which they live. This provides a reliable basis for the estimation of the population of each of the states, territories and local government areas, primarily for electoral purposes and the distribution of government funds. The Census also provides the characteristics of the Australian population and its housing within small geographic areas and for small population groups. This information supports the planning, administration, policy development and evaluation activities of governments and other users. It also provides a snapshot of Australia and how it has changed over the last five years.

The 2006 Census will include three new topics:

- *Need for assistance* questions will cover the areas of self care, movement and communication. Reason for need for assistance or supervision will also be asked.
- *Unpaid work* questions will include unpaid domestic work, unpaid care due to a disability, long term illness or old age, unpaid child care and voluntary work.
- *The dwelling Internet connection* question will be used to measure how widespread household access to the Internet, both broadband and dial-up, has become in Australia.

In 2006, Australians are again being asked if they would like to have their information retained by the National Archives of Australia and kept confidential for 99 years, as part of the *Census Time Capsule*. Name-identified Census information will only be retained for those who consent. The information will be able to be released in 2105 for research purposes, with the people who may be interested in accessing this kind of information at that time including genealogists, historians, academics, social analysts, journalists, and family members in the twenty-second century.

Most activity in 2005-06 focused on preparations for the distribution and collection of Census forms, including:

- printing and distribution (to collection staff) of 13.9 million Census household and personal forms, 12.6 million Census Guides and 40,000 Census maps
- recruitment of 102 Divisional Managers, 3,365 Area Supervisors and 26,163 Collectors
- development and testing of an eCensus facility, especially the security of the facility, for those who choose to submit their Census form by the internet
- establishment of a Census Field Communication system that will handle up to 800,000 calls from the public and send out 1.6 million SMS messages to collectors' mobile phones. The SMS messages will be used to let collectors know that an eCensus form has been received for a particular household or where some other field follow up activity is required (eg householder needs an extra form).
- development of a public communications campaign and associated advertising to explain the benefits of the Census and encourage participation
- engagement with a range of Indigenous Australian, ethnic and other community groups to garner support for the 2006 Census.

During 2005–06, there was also considerable work on the systems for processing and releasing Census data. Systems for processing 2006 Census data were tested using data from the August 2005 Census Dress Rehearsal, and the Data Processing Centre in Melbourne was established. The 2006 Census output strategy was finalised, following release of *Census of Population and Housing: Proposed Products and Services 2006* (ABS cat no 2011.0) and a round of consultation meetings with users of census data. With the development of technology, in particular the Internet, and the growing sophistication of the user community, the ABS intends to recast its range of products and services for the 2006 Census. A range of new Internet based products will be developed, which will make it easier for users of varying levels of sophistication to get the data they need.

In addition, during 2005–06, a team was established to begin preparations for the 2011 Census. This team will look at the challenges and opportunities for the 2011 Census, given the ongoing changes in Australian society, the Australian labour force and technology.

Developments in client engagement and output enhancement

The Population Statistics program has continued to work closely with its clients to ensure the ongoing relevance of its products and services, to ensure their emerging needs are well understood, and to ensure ABS decisions are clearly explained. Ways to strengthen engagement with key stakeholders have been explored and are being implemented across the program. Strategies include:

- identifying and taking up opportunities for new partnerships and collaborations
- using ABS outposted officers in building closer relationships and developing statistical capacity, and
- initiating regular senior level bilateral discussions on the policy and other drivers requiring a statistical response.

Population wellbeing data gaps workshop

An example of this engagement was the external workshop for senior experts to discuss population wellbeing data gaps, which was held on 8 June 2006. The workshop was jointly organised and convened by the Treasury, the Department of Families, Community Services and Indigenous Affairs and the ABS. The aims were to:

- identify those information gaps and data shortcomings considered to be of highest priority
- consider mechanisms for satisfying the gaps, and
- suggest strategies and ongoing processes to drive forward an effective body of statistical information on population well-being over the next five to ten years.

An action plan resulting from the discussions at the workshop is currently being developed.

Migrant statistics

A new partnership has been developed with the Department of Immigration and Multicultural Affairs under which a National Migrant Statistics Unit has been established by the ABS to improve the information base relating to migrant settlement in Australia. The unit will take a leadership role by identifying major data needs and priorities, in coordinating the development of new sources of information on migrants, and in increasing the usefulness and accessibility of existing datasets.

Support for agencies

The Population Statistics program has continued to support the work of other agencies in developing statistical products and capability. For example, it has provided advice and expertise through membership of steering and working groups associated with the Council Of Australian Governments' Review of Government Services Provision and Overcoming Indigenous Disadvantage reports, and for key government funded surveys for which other agencies are responsible. These include the Household, Income and Labour Dynamics (HILDA) Survey, the Longitudinal Study of Australian Children (LSAC), and the proposed Longitudinal Study of Indigenous Children (LSIC). It has increased engagement with LSAC by providing survey development and data collection services, under a partnership with the Australian Institute of Family Studies and the Department of Families, Community Services and Indigenous Affairs.

Review of the household survey program

The Population Statistics program periodically undertakes a major review of its household survey program to ensure emerging issues are being adequately addressed and ongoing measures remain relevant. The 2006 review has commenced and will report later in the year. This review is being supplemented by reviews that have been progressing within specific areas of statistics, with a particular focus on health and crime victimisation.

Table 5.1: Population and Social Statistics programs

Census of Population and Housing	The Census program conducts a five-yearly census of population and housing. Its aim is to accurately and efficiently measure the number and key characteristics of people in Australia on census night so as to provide a reliable basis for the estimation of the population of each state and territory and to provide timely, high quality and relevant five-yearly benchmark data within areas of social concern (for example, housing, education, labour force) for small geographic areas and for small population groups.
Demography	The Demography program produces estimates of the size, structure and geographic distribution of the population; projections of the population into the future; and estimates of components of population change (births, deaths and migration). Also produced are estimates and projections of the Aboriginal and Torres Strait Islander population, and of families and households.
Labour Statistics	The Labour Statistics program provides information about the structure and performance of the labour market. The program produces interrelated statistics on labour supply (such as labour force participation, unemployment, employment conditions and broader measures of labour underutilisation); labour demand (such as employment, job vacancies and labour costs); and industrial relations.

Health	The Health program provides information about the health of Australia's population, and about health related services. This includes statistics relating to health status, mortality, disability and factors that affect health outcomes. Statistics are also provided on the health of population groups such as children and youth, and older people.
Education and Training Statistics	The Education and Training Statistics program provides measures of the levels and effects of education and training activity, and covers a range of topics relevant to education and training including school education, non-school activity, and pathways linking education and work.
Crime and Justice Statistics	The Crime and Justice Statistics program provides measures of the levels and effects of criminal activity, as well as people's perceptions of their safety and includes national statistics on recorded crime, courts and corrections. The program works to improve the quality of these collections in cooperation with statistical practitioners in the jurisdictions.
Aboriginal and Torres Strait Islander Statistics	The Aboriginal and Torres Strait Islander Statistics program provides information about Australia's Aboriginal and Torres Strait Islander people. The main sources of these statistics are the five-yearly national Census of Population and Housing, surveys on Aboriginal and Torres Strait Islander Australians conducted every three years (alternating between health and general social topics), and administrative data such as hospital, school and community services records.
Living Conditions Statistics	The Living Conditions Statistics program provides information about the material living conditions of the population within a framework of areas of social concern and population groups at risk of disadvantage. Household income, wealth, expenditure, consumption, housing, superannuation and other aspects of material living conditions are central to monitoring material wellbeing. Related areas of measurement and analysis include economic hardship and financial stress which help to provide a wider picture of the material circumstances and living conditions of Australians.
Family and Community Statistics	The Family and Community Statistics program provides information about family and community wellbeing including time use, child care, volunteering and social capital. A further dimension is the provision of statistics for various population sub-groups including women and men, couple and one parent families, and carers.
Culture and Recreation Statistics	The Culture and Recreation Statistics program provides information about culture, sport and leisure, and migrants.
Rural and Regional Statistics	The Rural and Regional Statistics program advances the availability of regional data. Activities undertaken under the program include improving access to, and dissemination of ABS data and data from other sources, and developing new indicators where feasible.
Ageing Statistics	The Ageing Statistics program coordinates statistical activities in the field of ageing. Its activities include understanding current and emerging policy issues and debates, and determining what statistics might be appropriate to inform decision making.
Children and Youth Statistics	The Children and Youth Statistics program provides statistical leadership and coordination across the field of children and youth statistics with the aim of guiding and influencing statistical activity, both ABS and non-ABS, in this field.

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AUSTRALIAN BUREAU OF STATISTICS

SECTION IV

SPECIAL ARTICLES

IV

Chapter 6

COMMUNICATING STATISTICS TO THE NATION

Chapter 7

DEVELOPMENT AND IMPLEMENTATION OF THE
AUSTRALIAN AND NEW ZEALAND STANDARD
INDUSTRIAL CLASSIFICATION 2006 (ANZSIC 2006)

Chapter 6

Communicating statistics to the nation

Background

The ABS makes a valuable contribution to decision making, research and discussion in the Australian community by being an information provider to the nation. Its statistics are a key contributor to an effective Australian democracy. A major objective of the ABS is to increase the number of users, and the appropriate use of statistical information for informed decision making. To support this the ABS releases statistics and provides services to assist clients in their use of those statistics.

From 1905 until the 1980s most ABS statistics were released as printed publications, though from the 1970s some statistics were released on microfiche or magnetic tape for specialist clients. From the mid 1980s, electronic services were significantly enhanced with the introduction of online time series systems (AUSSTATS) and the release of confidentialised unit record files on magnetic tape. With the emergence of Internet technologies, and the first release of the ABS web site in 1995, the ABS has increasingly focused on releasing statistics via the World Wide Web. The Internet allows ABS statistics to reach a much greater audience and allows a greater range of statistical information to be made available to Australians.

The ABS web site is one of the most heavily used government web sites in Australia with its use having grown exponentially over the last decade. In 2002, for the first time, the primary release of data from the Census of Population and Housing was on the ABS web site.

During its centenary year in 2005, the ABS continued to respond to the changing requirements and expectation of its users and to embrace new technologies to further the communication of statistics to the Australian community. In July 2005 the ABS made all online publications free of charge, and followed this in December by making all its statistics free on the web site. This represents a quantum step in making ABS statistics available to all Australians.

This article describes the evolution in the way the ABS communicates statistics to the nation and outlines where it is heading in the future.

High volume, instant access to ABS data

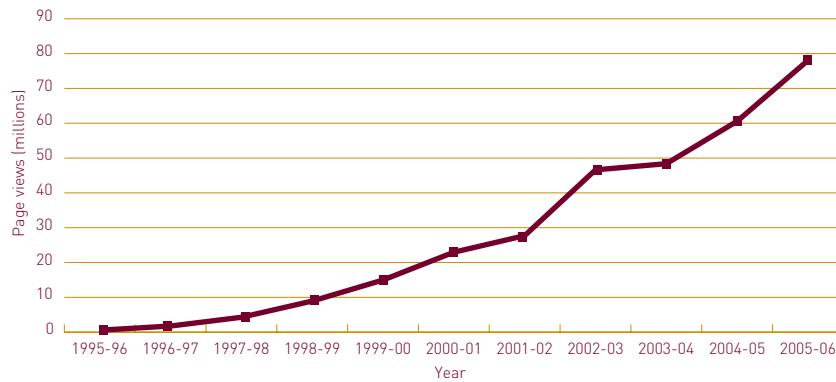
Technology is changing the way people communicate and Australians are noted early adopters of new technologies. The prevalence of computers in the home, mobile phones and SMS has changed the face of communication in Australia and presents new opportunities and means to communicate statistics.

In the information age, the need for information does not stop at the end of the working day. The web enables the ABS to provide up to date statistics day and night to people all over the world. Printed publications cannot reach as many users or provide the timeliness of information as can be provided on the web. This transition alone has initiated many changes in the way the ABS conducts business. The reducing demand for printed publications has

enabled the ABS to increase its releases of electronic information on the web in a very cost-effective manner.

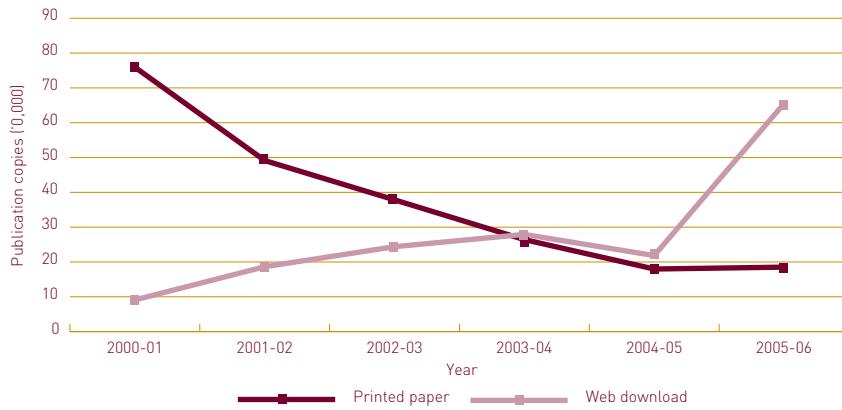
The ABS now offers an unprecedented amount of information to clients across the globe with over 365,000 pages of rich content. Use of the web site continues to grow with nearly 80 million ABS web pages viewed in 2005-06. In addition, over 650,000 downloads of ABS electronic publications were made.

Graph 6.1: ABS Web Site pages viewed, 1995-96 to 2005-06



Patterns of use of ABS information have changed since 2000-01 when nearly 800,000 copies of print publications were distributed and 91,000 electronic publications were downloaded from the web site. By 2005-06, this pattern of use was moving in the opposite direction, with 185,000 printed publications produced and over 650,000 electronic publications downloaded from the web site.

Graph 6.2: ABS publications, number of copies by paper or web download, 2000-01 to 2005-06



Communicating statistics to the nation – the present

The ABS is strongly committed to ensuring that its statistics are accessible and understandable to all its clients.

To achieve this, the ABS is improving awareness of the range of its statistics and services by using Email Notifications and Really Simple Syndication (RSS) on the web site, by providing statistics to the media, and through services such as the Library Extension Program and National Information Referral Service.

It is also a key ABS strategy to continually improve access to ABS statistics. Better web design and free statistics on the web are actively improving access to statistics. Recognising that access does not, of itself, ensure informed use of statistics, the ABS is also working on increasing the usefulness of the statistics it releases through more relevant and interesting presentation of statistical information. This work is being strongly informed by ABS research into the cognitive psychology of information seeking behaviour (*Data Communication: Emerging International Trends and Practices of the ABS, 2006* [cat. no. 1211.0]), by the ABS program of user consultation and web usability testing, as well as a renewed responsiveness to client feedback.



The Hon Chris Pearce MP, Parliamentary Secretary to the Treasurer, with the Deputy Australian Statistician, Susan Linacre, and the ABS Victorian Office staff on the day statistics became free on the web.

Statistics provided free of charge

The ABS has a legislative, and a fiercely held organisational, commitment to the Australian community to publish the results of all statistical collections that it conducts. ABS recognises and values the assistance of business and households in providing this data and acknowledges that the work of the ABS would not be possible without this contribution.

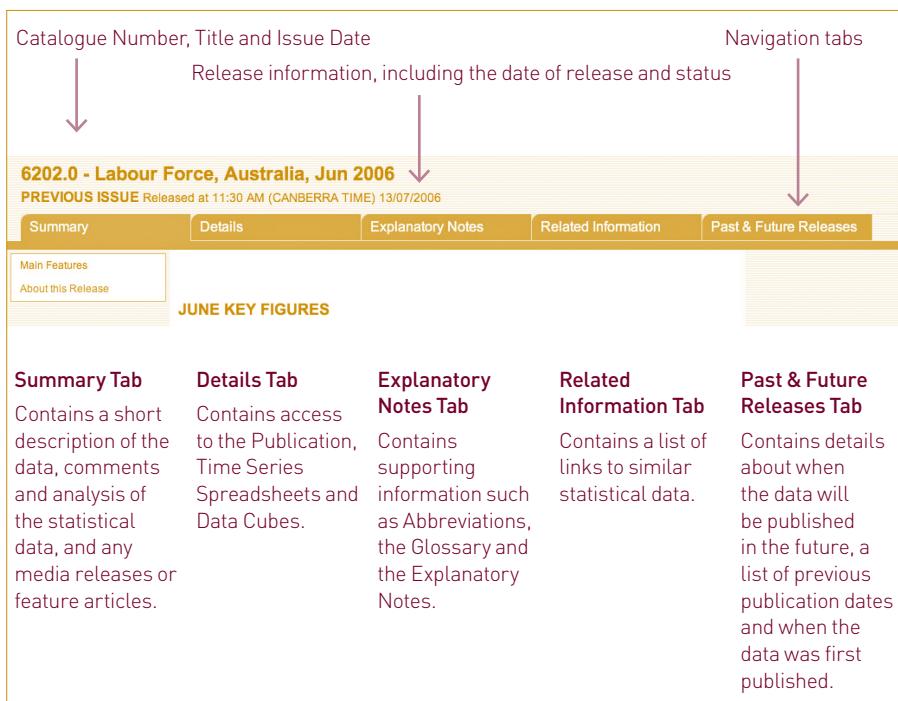
ABS statistics are an essential part of the information infrastructure that underlies policy formulation and decision making in Australia. Like other core national infrastructure, such as roads, there is an expectation from the community that ABS statistics will be free. In response to this, in June 2005, following provision of additional Australian Government funding, the ABS made electronic publications free on its web site. From December 2005 all ABS output on the web site was made free of charge with the Hon Peter Costello MP, Treasurer, making the announcement as an ABS centenary tribute to the people of Australia.

As a result of this move the Australian community now has free access to many thousands of spreadsheets and census profiles, as well as to electronic versions of familiar ABS publications. The Australian community has responded keenly. Over 100,000 files were downloaded from the web site in January 2006, doubling the usual rate for that time of the year. During March 2006 over 250,000 downloads were made, again more than double the usual download rate.

User friendly access to statistics on the web

Following extensive client consultation and taking advantage of opportunities presented by new technologies, the ABS web site underwent a series of changes during 2005-06. The last of these, in January 2006, saw the release of a major re-design and re-structure of the 'Statistics' area of the site. The restructure grouped related materials together more intuitively and provided additional information access points for clients. The new design acknowledges that various types of users seek information in different ways. Users of the web site can now find statistical products by Title, Topic, ABS Catalogue Number, or by Release Date. In addition, the world's most popular search engine, Google, has been added to the site.

Clients have been enthusiastic about the new design and services such as RSS and Email Notification and have also been impressed at the responsiveness of ABS to suggestions for further enhancements. The ABS web site is now considered among its peers in the international statistical community to be at the forefront of innovation in statistical dissemination.



New design for the 'Statistics' area on the ABS web site.

Free telephone enquiry service

The National Information and Referral Service (NIRS) is a free telephone enquiry service, which is the first point of call for many clients who wish to speak to the ABS. NIRS consultants are familiar with the full range of statistical data produced by the ABS. For many straightforward enquiries, the NIRS assists callers to navigate the ABS web site to find the information they need. For more complex or wide-ranging enquiries, the NIRS will refer clients to specific areas on the ABS web site, to public libraries or to Information or Statistical Consultants. In cases where the ABS does not collect the data, the NIRS can often suggest other agencies or departments which may be able to help. Over 64,000 calls were received by the NIRS in 2005-06.

Partnering with Australian libraries

The ABS recognises the unique role that libraries play in providing information to the nation and, through the Library Extension Program (LEP), works with over 500 libraries to assist them to provide statistics and statistical information to their communities. Established in 1991, the LEP is an important part of the Bureau's commitment to enabling free community access to ABS statistics and is a free service to eligible libraries. Member libraries receive free training and support to help them assist library users to find and use ABS statistics, as well as a range of free ABS products. This service is currently being expanded to an Extension Services Program to support clients beyond the library community.

Information Consultancy

Where clients require specialist or tailored data that is not available in standard ABS publications, it can often be provided on a fee-for-service basis. ABS Information Consultants and, on occasion, subject matter specialists, provide a wide range of ABS data tailored to meet individual needs. These include

- tailored reports with tables, commentary, graphs and maps
- customised demographic and other data, and
- data for the most recent period available or extending back in time.

Statistical Consultancy

The ABS also offers a specialist Statistical Consultancy service, which provides complete statistical solutions to clients to assist them to conduct high quality statistical research for informed decision making. Professional statisticians with wide ranging experience and expertise in survey design, data analysis, and specialist knowledge in a range of statistical fields contribute to the service. A free one hour consultancy service to discuss statistical issues is provided, and beyond this a statistical consultancy is offered on a fee-for-service basis.

Assisting clients with visual impairment

To assist visually impaired clients, the ABS operates in accordance with the Australian Government Information Management Office (AGIMO) guidelines and is working toward meeting the requirements of the World Wide Web Consortium's (W3C) Web Content Accessibility Guidelines. Where requested, the ABS will also make arrangements for Vision Australia to translate the product into a more appropriate format. This service is provided at no cost to the client.

Improved access to microdata

ABS clients engaged in research and policy making often require access to more detailed data than is available free on the web site or that can be purchased on a consultancy basis. The ABS recognises that data at the individual respondent level (microdata) is a rich source for research and analysis. The ABS is committed to ensuring that it is used as fully as possible, while at the same time protecting the confidentiality of the respondents who provided the information.

Microdata, in the form of Confidentialised Unit Record Files (CURFs) is generally produced as a standard survey output for household surveys and is therefore part of the ABS Basic Information Set (BIS). However, unlike many BIS products (such as publications or spreadsheets), access to microdata is subject to a Determination made under the *Census and Statistics Act 1905*. This allows the Australian Statistician to provide access to microdata only if all identifying information is removed prior to release and the information is released in a manner that is not likely to lead to the identification of a particular person or organisation. In addition, CURF clients and their employing organisations are required to sign a legal undertaking that governs their use of the microdata. From 1 July 2006, the cost of disseminating CURFs has been reduced from \$8,000 to \$1,320. It is anticipated that this will greatly increase accessibility of CURF microdata.

Remote Access Data Laboratory

The availability of CURFs has been crucial to making microdata available to researchers. CURFs, originally available only on CD-ROM, enable clients to use the data on their own computers but with considerable restrictions on the level of detail available. The establishment of the Remote Access Data Laboratory (RADL) in 2004 has allowed more detailed CURF data to be available to researchers while also ensuring increased protection of data confidentiality. Users do not have access to the data directly, rather they submit statistical queries to the RADL system, which supplies outputs that maintain confidentiality. ABS CURF data is contributing strongly to research being undertaken in universities and other research institutions with more than 300 research articles, papers and theses on topics as diverse as the effectiveness of Indigenous Australians' job search strategies and rates of anxiety and depression in older Australians being published using CURF data since January 2003. More information on the CURF research activities can be found on the ABS website (see 'services we provide').

Enabling access to microdata in the research community

The ABS has negotiated a number of agreements with education and research institutions to increase the use of its data in research. An important agreement has been that with the Australian Vice-Chancellors Committee to provide researchers in most universities with access to CURFs for research and teaching purposes.

Communicating statistics – the future

Telling the story behind the numbers

Following the success of the re-design of the web site in 2005–06, the ABS is now turning its attention to presenting web content that is more relevant to client needs, more understandable and more interesting.

This follows a review of the cognitive psychology literature and the development of principles and guidelines for content preparation and on-screen presentation of statistical information. These will assist ABS authors prepare statistical content that will engage the interest of current and future users of ABS statistics.

At present, the ABS is working on presenting information on the web in a layered form, with the simplest information presented first, the most complex information last, and using hyperlinks to allow easy navigation from layer to layer. This approach also applies to the presentation of metadata (information about the data) and will allow clients to discover the supporting information appropriate to their needs. In doing so, the ABS will improve the understanding of our statistics by allowing clients to apply statistical information in the right context.

These developments will make ABS statistics easier to locate and much easier to understand, helping to increase the statistical literacy of the Australian community.

Communicating the Census

Most data for previous population censuses have been released in the form of tables in printed publications and in spreadsheets. The static nature of these tables did not allow clients to customise data to suit their individual needs. Clients needing even minor variations to tables have previously had to rely on, and pay for, customised tables of data. The paths to data were complicated, and many users experienced difficulty in locating the information they required.

Census data made simple

The 2006 Census presents the ABS with the opportunity to present data in new ways that are specifically designed to target the diverse needs of casual and more intense users. Not only will all standard 2006 Census data be available free on the ABS web site, but clients needing quick access to easy to understand census data will find that accessing this data will be more straightforward than in the past. In presenting 2006 Census data on the web for these clients, ABS has focused on ensuring that clients can help themselves to the data they need without having to understand complex census concepts.

Interacting with census data

For the 2006 Census clients will be able to interact with the data to design and populate their own tables. This will be of particular value to clients familiar with the more complex aspects of census variables, topics and geographic regions and who need to further analyse census data or explore areas of particular interest. This product, replacing the longstanding CDATA, will be free on the web site and has been designed as a self-help tool that does not require clients to learn to use a complex application, allowing clients to focus on the data rather than the product itself.

To obtain an additional level of detail and interactivity, clients may, on a fee paying basis, access data sourced from the complete Census Unit Record File. This provides the greatest available level of flexibility and creativity for researchers. As with CURFs, access to this product will require clients and their employing organisations to sign a legal undertaking that restricts their use of the data.

All the new census products represent significant advances in technology for the ABS and place it at the forefront of innovation among its peers in the community of national statistical agencies.

Conclusion

The ABS has released statistics for more than one hundred years, and been firmly committed over that period to informing the nation, and enhancing decision making, research and discussion in the Australian community, through its communication of statistics.

Communicating statistics has required the ABS to do more than simply publish the results of its statistical collections. It has required the ABS to use technology in ever more innovative ways to reach its increasingly diverse yet sophisticated audience. From free statistics on the web site, through to innovative information services, to specialist data services for researchers and policy makers, the ABS continues to promote the use and understanding of statistics to Australians and continues to be a key information provider to the nation.

The ABS is committed to continuing to find new ways to satisfy client needs, and to improve the processes used to disseminate statistics.

Chapter 7

Development and Implementation of the Australian and New Zealand Standard Industrial Classification (ANZSIC) 2006

Introduction

This article describes the joint project between the Australian Bureau of Statistics (ABS) and Statistics New Zealand to redevelop the Australian and New Zealand Standard Industrial Classification (ANZSIC). The revised classification – ANZSIC 2006 – was released in February 2006. The article also covers subsequent work by the ABS to implement ANZSIC 2006 in statistical collections.

What are industrial classifications?

To use statistical information about businesses effectively, it is first necessary to organise that information into categories suitable for economic analysis. An industry classification is one way of doing this. It provides a standard framework under which businesses carrying out similar productive activities can be grouped together, with each resulting group being referred to as an industry. The term 'industry' is used in its widest context, covering the full range of economic activities undertaken to produce both goods and services.

ANZSIC is a hierarchical classification comprising four levels – Divisions (the highest level of the classification), Subdivisions, Groups and Classes (the lowest level). At the divisional level, the main purpose is to provide a limited number of categories which will provide a broad overall picture of the economy while the subdivision, group and class levels provide increasingly detailed dissections of the broad categories.

In ANZSIC, each individual class is defined in terms of a specified range of activities. It is common for a business to engage in a range of activities wider than those designated as belonging to a particular class, and, when this occurs, the business is classified on the basis of its predominant activity. Each business unit is classified uniquely to one class so that only those units with the same predominant activity are brought together to form a class.

Why are they important?

The concept of industry – and the classifications used to produce a wide range of statistics by industry – are fundamental parts of the economic statistics infrastructure. ANZSIC provides a means for the standardised collection, analysis, dissemination and production of economic data on an industry basis for Australia and New Zealand.

The ABS uses ANZSIC in most of its economic collections and for the compilation of the National Accounts, which are important for Australia's economic decision making. A wide range of users from government, academia and the private sector also use ANZSIC for financial, administrative, analytical and statistical purposes. Of particular importance is the

use of ANZSIC by the Australian Taxation Office (ATO) to classify businesses to their industry of activity.

Table 7.1: History of industrial classifications in Australia

1960's	The Commonwealth Bureau of Census and Statistics (now known as the ABS) drew together several distinct industrial classifications then in use in Australia to produce the first Australian Standard Industrial Classification (ASIC). The original 1969 edition of ASIC was based on the broader levels of the International Standard Industrial Classification of All Economic Activities (ISIC), with some modifications to allow for comparability with previously used classifications.
1978	The 1978 edition reflected an extensive review of the 1969 edition, involving a substantial program of empirical investigation and analytical work. Numerous changes were made, mainly affecting the definitions of individual industry classes.
1983	The 1983 edition was a partial revision and updated the 1978 edition in respect of the Transport and Storage industries.
1985	The ABS commenced a major review of ASIC. The principal objectives were: to improve the alignment with ISIC; to achieve a better balance by giving more attention to the services sector; and to take account of the effects of technological change and changes in the structure of industry generally since the previous edition.
1990	The possibility of Australia and New Zealand using a common industrial classification was first raised in 1990. As the two statistical agencies used similar principles to create their national industrial classifications, they were able to agree on the principles and strategies for development of a single classification to meet the requirements of both countries. A particular consideration was the need to update each country's classifications to align with ISIC Revision 3, issued in 1990.
1993	The first edition of the joint classification (ANZSIC) with Statistics New Zealand was released.
2000	The review of ANZSIC 1993 commenced in January 2000.
2006	ANZSIC 2006 was released to replace the 1993 edition.

Conceptual basis of ANZSIC 2006

There were several broad objectives set for the ANZSIC review project as follows:

A contemporary industrial classification

Industrial classifications need to be periodically reviewed to ensure that they remain current and relevant, reflecting the changes that have occurred in the structure and composition of industry since the previous version, as well as satisfying emerging user requirements for industry data.

Since ANZSIC 1993 was developed, there had been significant changes in the structure, composition and organisation of industrial and business activities in Australia and New Zealand. New materials, technologies and production techniques had been adopted and some of these affected the way industry and businesses operate. Most importantly, whole new industries had emerged and needed to be included in the classification – including provision of Internet access services, Internet publishing and broadcasting, computer retailing and communication equipment manufacturing.

The requirements of users of industry statistics had also changed. In particular, users required better support for alternative industry views, that is, views of activities, such as

tourism, that are not consistent with the standard concepts embodied in ANZSIC 1993 (for example, tourism involves a range of industries such as air transport, accommodation, rental cars, and retail).

A more consistent concept of industry

ANZSIC 1993 used a mixture of supply- and demand-side concepts in defining industries – that is, sometimes a distinction was made on the process of production or service (supply-side), sometimes it was made on the client of the product or service (demand-side). In some instances, this led to the classification prescribing different treatments for similar productive activities. The conceptual framework adopted for the development of ANZSIC 2006 uses supply-side based industry definitions and groupings.

Alignment with international standards

Aligning ANZSIC with international standards as far as possible maximises the comparability of Australian and New Zealand industry statistics with those of the rest of the world. ANZSIC 2006 aligns with the International Standard Industrial Classification of All Economic Activities (ISIC) and the North American Industry Classification System (NAICS) at the subdivision level as far as practicable.

ISIC was adopted by the United Nations in 1948 and is used as the international standard for guiding work on national industrial classifications. Revisions of ISIC were issued in 1958 (Rev. 1), 1968 (Rev. 2) and 1990 (Rev. 3). A minor update of ISIC Rev. 3 was issued in 2002 (Rev. 3.1). A major revision of ISIC is well advanced and is expected to be released in 2007 (Rev. 4).

ANZSIC 2006 has achieved comparability with ISIC to a greater extent than earlier industrial classifications. Australia and New Zealand had, for many years, endeavoured to align their industrial classifications with ISIC as far as possible. However, the degree of alignment able to be achieved was sometimes reduced by competing classification principles, for example, a different structure of Australian or New Zealand industry, or a lack of significance of some internationally recognised economic activities in the two economies.

NAICS is the industrial classification system used by Canada, Mexico and the United States. It follows the supply-based or production-oriented principle. The Information sector is one of the key features of NAICS 2002 and was used as a model for the new Information Media and Telecommunications Division in ANZSIC 2006.

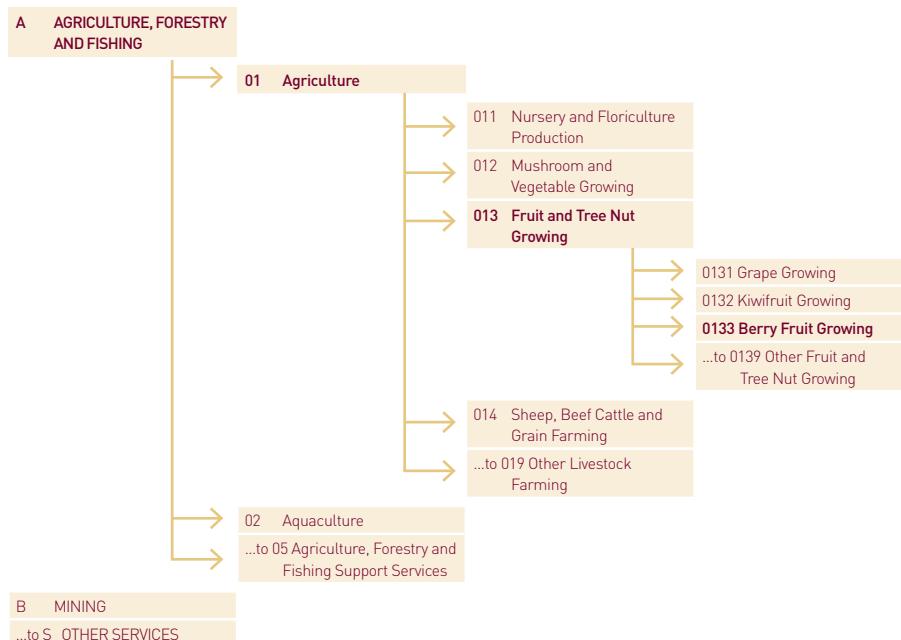
Other principles

The development of ANZSIC 2006 applied a number of important principles normally followed in the development of industrial classifications or for statistical classifications generally.

In most instances, industry classes have been formed only if the activities they cover are economically significant in either Australia or New Zealand and the businesses classified to them are relatively homogeneous in terms of industrial activity. ANZSIC categories are mutually exclusive and comprehensive in their coverage of productive economic activities.

An example of the hierarchical classification structure is shown in the extract from ANZSIC 2006 below.

Diagram 7.1 Hierarchical classification structure used in ANZSIC 2006



Communication program for ANZSIC 2006

In the development of the detailed ANZSIC 2006 classification, there was extensive consultation with users of ANZSIC in Australia and New Zealand, including experts in industry structure. There will continue to be extensive communication with users as the new classification is introduced into ABS collections.

The main elements of the ABS communication strategies are as follows:

- distinguishing stakeholders with different interests, namely: ABS stakeholders, the Australian Taxation Office, major Australian and international users of official industry statistics, ANZSIC structure users (organisations that use ANZSIC in their own systems), and Statistics New Zealand and other national statistical offices
- holding seminars with a wide variety of external users during the ANZSIC 2006 development stage (both general and industry specific)
- providing users with discussion papers (broadly at 1993 ANZSIC division level) outlining the reasons for the changes being made to ANZSIC
- publishing ANZSIC 2006 Development and Implementation Information Papers (cat. no. 1294.0 and 1295.0 respectively)
- holding information sessions in each State and Territory to discuss implementation plans for ANZSIC 2006 (annually since 2004)
- using the ABS web site to freely disseminate ANZSIC 2006 and associated support tools accessible via the ABS web site

- preparing communication plans for all areas of ABS statistics affected by implementation of ANZSIC 2006, outlining consultation plans, a backcasting or bridging strategy for data series, and how the effects of the implementation will be conveyed to users, and
- discussing ANZSIC 2006 at fora that the ABS uses to interact with key users including the Australian Statistics Advisory Council and the Economic Statistics User Group.

Major changes from ANZSIC 1993

ANZSIC 2006 is substantially changed from the 1993 edition, largely due to significant changes in the Australian and New Zealand economies in the intervening period. As the table below shows, there has been a considerable increase in the number of industries at each level of the hierarchy within the classification.

Table 7.1 Comparison of number of industry categories – ANZSIC 1993 and 2006

	ANZSIC 1993	ANZSIC 2006	Difference
Divisions	17	19	2
Subdivisions	53	86	33
Groups	158	214	56
Classes	465	506	41
Total	693	825	132

Changes at each level are summarised below.

Divisions (e.g. A Agriculture, Forestry and Fishing)

The large and diverse Property and Business Services Division in ANZSIC 1993, together with some other services, has been rearranged into three new divisions: Rental, Hiring and Real Estate Services; Professional, Scientific and Technical Services; and Administrative and Support Services.

ANZSIC 2006 Division J Information Media and Telecommunications is a new division, which brings together activities from a number of ANZSIC 1993 divisions, including ANZSIC 1993 Division J Communication Services.

Several divisions were renamed to better reflect their composition or terminology in current usage. Other changes to division names were required as a result of the new structure.

Subdivisions (e.g. 01 Agriculture)

The increase in the number of divisions resulted from a number of factors including:

- improving the international comparability of the classification at this level
- identifying groupings of economic activities with significantly different production functions, and
- promoting some more economically significant industries to this level of the classification.

Groups (e.g. 013 Fruit and Tree Nut Growing)

The major factors behind the substantial increase in the number of groups were:

- flow on effects from the large increase in the number of ANZSIC subdivisions
- formation of ANZSIC groups better aligned with ISIC
- more homogeneous groupings of production functions, and
- recognising some new groups with relatively high levels of economic significance.

Classes (e.g. 0133 Berry Fruit Growing)

The introduction of ANZSIC 2006 changes the lower levels of the classification by merging and deleting some existing ANZSIC 1993 classes and recognising some new classes and primary activities. Some primary activities have also been transferred out of ANZSIC 1993 classes and re-grouped according to production function similarities to form new classes in ANZSIC 2006.

Support tools

ANZSIC 2006 has been developed with a focus on providing relevant support tools to enable as smooth a transition as possible from ANZSIC 1993 to the new classification. To this end, there have been several support tools developed, all of which are accessible via the ABS web site. These include:

- web-based search function based on key words
- class change tables
- correspondence tables
- index of primary activities
- codes and titles, and
- ANZSIC coder (able to be ordered via the ABS site).

Implementation of ANZSIC 2006 in the ABS

The ABS learned some valuable lessons during the changeover from ASIC to ANZSIC 1993, and these have influenced both the strategies and governance arrangements that underpin the implementation program. A key component of the program, for example, is a stronger focus on assisting users to understand the changes introduced with the new classification and to better manage the impact on users of ABS data. A number of measures will be taken by the ABS to assist users through the implementation period, including publishing data on both ANZSIC 1993 and 2006 bases and backcasting of selected ABS statistics on an ANZSIC 2006 basis.

Change management strategies

Annual, quarterly and monthly economic collections

In the past, the ABS has used a one point in time measurement of the effect of changes such as the introduction of a new industry classification. However, analysis of statistical time series focuses on movements in the data, and a single point-in-time approach does not allow for sufficiently robust analysis of these movements.

As a result, for economic collections conducted on an annual, quarterly or monthly basis, the ABS will measure the effect of the changeover from ANZSIC 1993 to ANZSIC 2006 in successive reference periods (two periods for annual collections, up to five for monthly or quarterly collections). Adoption of this approach, while extending the implementation process, will provide information about the impact of the change on estimates of both level and movement, and will result in the production of more robust statistics when they are first released on an ANZSIC 2006 basis.

Other economic collections

For the 2005-06 and 2006-07 reference years, irregular and benchmark economic collections (for example, Service Industry Surveys, the 2005-06 Retail and Wholesale Industry surveys, and the 2005-06 Agriculture Census) will be designed to produce official statistics on both ANZSIC 1993 and ANZSIC 2006 bases. The former will allow comparisons to be made with previous data for the topic concerned, while the latter will allow for comparisons into the future.

Population and social statistics

Collections that do not draw a survey frame from the ABS business register (such as the Census of Population and Housing and Labour Force Survey) will code their industry-related data to both ANZSIC 1993 and ANZSIC 2006. Generally, the industry data for these collections comprises only one topic amongst a wide range of data collected.

The 5-yearly Census held in August 2006 will be the first major collection to use ANZSIC 2006. ANZSIC is used in the census to provide information on employment by industry. The collection of this information for the 2006 Census will be aided by the use of a Business Name Index which lists most Australian businesses, including most large businesses. This should result in more accurate industry of employment coding than in previous censuses.

Broad implementation timetable

The ABS' implementation of ANZSIC 2006 has been devised taking into account two critically important elements. Firstly, establishing the requirements, including timing, of implementation within the Australian National Accounts (ANA), and, secondly, a determination not to release indicator series on a different classification basis to the ANA.

The optimal time for the ANA to be first released on an ANZSIC 2006 basis is late 2009. The ANA timetable will see ANZSIC 2006 based:

- 2008-09 Australian System of National Accounts and the 2008-09 State Accounts released in November 2009
- 2009 September quarter National Income, Expenditure and Product released in December 2009

- 2008–09 Tourism Satellite Accounts released in April 2010, and
- 2005–06 Input–Output Tables released in 2010.

ABS economic statistics that are used as time–series indicators in the compilation of the ANA will be released on an ANZSIC 2006 basis according to the following guidelines:

- the first release for annual collections will be in respect of the 2006–07 reference year, and,
- the first release of sub–annual collections will be in respect of the July 2009 reference month or the September 2009 reference quarter.

The timing of the program, while long, is necessary if the ABS is to make a well–managed transition to the new classification. It permits:

- a detailed comparison of the economic structures implied by the revised classification
- construction of ANZSIC 2006 based price indexes
- sufficient time (and length of time–series) to undertake activities such as seasonal re–analysis
- sufficient lead time for all ANZSIC structural users to have the necessary systems changes in place, and
- separation (for some affected areas) from the planned introduction of the updated Australian and New Zealand Standard Classification of Occupation in 2006.

Before ANZSIC 2006 can be introduced into ABS' economic collections, it first needs to be included on the ABS Business Register. This was done with the assistance of the Australian Taxation Office, and the process is described in the box below.

The release of ABS statistics on an ANZSIC 2006 basis will start in late 2006 with the release of data from the August 2006 Labour Force Survey. At this time, industry employment statistics will be available for both ANZSIC 1993 and ANZSIC 2006. When backcasting required to provide consistent historical series is completed in early 2009, the compilation of ANZSIC 1993 industry employment statistics will cease.

The next ABS statistics available on an ANZSIC 2006 basis will be the 2006 Census with a release in late 2007.

Information on the planned first-release dates for a range of other statistical series on an ANZSIC 2006 basis can be found in *Information Paper: ANZSIC 2006 Implementation* (cat. no. 1295.0).

Use of ANZSIC on the ABS Business Register

Most economic survey areas within the ABS make survey selections of businesses from a population frame which is created from the ABS Business Register (ABSBR). The ANZSIC code on the ABSBR is used to determine whether units are in scope of certain surveys and generally also determines how data provided by those units are classified to industry for output purposes. The standard of ANZSIC coding on the ABSBR is therefore very important for the quality of industry data produced by the ABS.

The ABSBR consists of two populations:

- Business units sourced directly from the Australian Business Register (ABR), which was established by the Australian Taxation Office (ATO) in 2000 as part of the 'The New Taxation System'. The ABR is the central repository for information about Australian businesses, including each entity's Australian Business Number (ABN).
- A small – but economically significant – proportion of businesses that are members of large and/or diverse groups. The information held on the ABR for these units is not suitable for ABS statistical needs so new business units are created and maintained by the ABS in consultation with the business.

Allocating ANZSIC codes on the ABR

Once a business registers for an ABN, the business details from the application are added to the ABR. Included among business details stored on the ABR are the client's description of their primary activity (e.g. shoe retailing, smash repairs) and main industry type (e.g. agriculture, construction).

The ATO undertakes ANZSIC coding for all these new business registrations according to standards agreed with the ABS. The coding is quality assured by both the ATO and the ABS. An extract of the ABR is sent to the ABS' Business Register Unit every month and the required records are incorporated into the ABSBR.

Converting from ANZSIC 1993 to ANZSIC 2006

By May 2006, the ATO had completed converting the ANZSIC 1993 codes attached to each ABN on the ABR to ANZSIC 2006 codes. Recoding of ABS maintained population units was completed in December 2005.

To support the statistical strategies outlined above for economic collections, the ABSBR will carry both ANZSIC 1993 and ANZSIC 2006 codes from mid 2006 until June 2009.

The majority of ANZSIC 2006 codes will be sourced from the ABR, making the ATO's ANZSIC 2006 implementation project an extremely important one for the ABS.

Reference

ANZSIC 'home page' on the ABS Web site (providing access to the classification as well as various support tools including an on-line search facility) <http://www.abs.gov.au/Ausstats/abs@.nsf/39433889d406eeb9ca2570610019e9a5/a77d93484dc49d63ca25712300056842!OpenDocument>

SECTION V

PERFORMANCE INFORMATION

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SUMMARY

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Chapter 8

Summary

The ABS is required to report against the outcomes and outputs as specified in the 2005–06 Portfolio Budget Statements presented to the Parliament in May 2005. As noted in chapter 2, the ABS has one outcome and one output group (Australian Bureau of Statistics – national statistical service). There are two subgroups in the output group – Economic Statistics and Population and Social Statistics.

The Portfolio Budget Statement for the ABS sets out performance indicators to be used to evaluate the outcomes for the ABS. Four of these are against the overall outcome, and three are against the output group, as shown in the diagram below:

Table 8.1: Performance indicators for the ABS

Performance information for Outcome 1	Performance information for Output 1
1. Integrity in statistical operations	1. Improve the quality of outputs
2. Relevance of ABS output	2. Increase the quantity of outputs
3. Appropriate use of statistical standards, frameworks and methodologies	3. Achievement of cost effective outputs
4. Improving coordination of the collection, compilation and dissemination of statistics produced by other official bodies	

A summary assessment against each of the performance indicators is shown in the table below. Some topics are explained in more depth in the subsequent chapters. These are:

- Engagement with users of statistics
- Provider/respondent relationships
- Assistance to producers of statistical services
- Quality and timeliness
- Dissemination of statistics
- Extended analysis of statistics
- Statistical standards and infrastructure
- International engagement
- Effectiveness of activities.

Table 8.2: Summary of performance information for Outcome 1

Performance indicators	Assessment	More information
1. Integrity in statistical operations		
1.1 An objective statistical service, as demonstrated by:		
• release of reliable/ accurate statistics	<p>The ABS released an extensive range of statistics in 2005–06.</p> <p>The ABS took steps to ensure that the statistics produced were of high quality, and that users were given information about quality. Information was also provided about any known errors, such as that in the Producer Price Index and International Trade Price Index releases for March 2006.</p>	Dissemination of statistics Quality and timeliness
• open statistical process	<p>The ABS undertook extensive user consultation on a range of statistical developments. Methodological developments were open to scrutiny, through information papers and the Methodological Advisory Committee.</p>	Engagement with users of statistics Quality and timeliness Dissemination of statistics
• trust and cooperation of providers	<p>The ABS undertook to ensure that provider load was minimised, and that the information provided was protected as is required under the <i>Census and Statistics Act 1905</i>.</p> <p>Continuing high response rates demonstrate a good level of cooperation by providers.</p>	Provider/respondent relationships
2. Relevance of ABS output		
2.1 Statistical output which meets the needs of key users of economic and social data in terms of:	<p>The ABS released a wide range of statistics, and these were used extensively, as shown by the increase in accesses to ABS services, and the increase in references to the ABS in the print and electronic media</p>	Dissemination of statistics
• support to decision-making, and		
• demonstrated by a high level of use.		
2.2 Openness of planning process	<p>The ABS has extensive user consultation processes. A three-year forward work program is published on the ABS website. The ABS Corporate Plan, updated in 2005, sets out broad objectives and strategies</p>	Engagement with users of statistics ABS corporate governance
3. Appropriate use of statistical standards, frameworks and methodologies		
3.1 Lead the development of national statistical standards, frameworks and methodologies, and their implementation within the broader Australian statistical system	<p>A range of standards were released or updated – most significantly classifications for industry (ANZSIC) and for occupation (ANZSCO).</p> <p>The geographic classification for the 2006 Census was prepared, and work on developing Mesh Blocks is well advanced.</p>	Statistical standards and infrastructure

Performance indicators	Assessment	More information
3.2 Contribute to the development of key international standards, frameworks and methodologies, and implement them as appropriate.	The ABS contributed to a range of international standards, including the International Standard of Classification of Occupations, the System of National Accounts, the International Comparison Program, the 2010 round of Population Censuses and the International Standard of Industrial Classifications.	Statistical standards and infrastructure International engagement
4. Improving the collection, compilation and dissemination of statistics produced by other official bodies		
4.1 Statistical Clearing House activity.	The SCH completed reviews of 118 statistical collections. SCH intervention resulted in 73 instances of improved survey design and/or reduced provider load.	Assistance to producers of statistical services
4.2 Assisting other official bodies with integration of administrative and statistical data, including outposting ABS officers, and providing training on statistical standards, frameworks and methodologies.	The ABS provided assistance through outposted officers, training courses, development of National Data Network (NDN), and supporting projects on statistical developments. The ABS is an active member of steering committees and working groups for a range of major statistical projects.	Engagement with users of statistics Assistance to producers of statistical services
4.3 Identifying, storing and disseminating statistics from other official bodies.	Work is progressing on a number of Information Development Plans, which are identifying potential data sources. The NDN is now operating in demonstration phase, and the amount of data available is increasing.	Assistance to producers of statistical services

Table 8.3: Summary of performance information for Outcome 1, output group 1.1

Performance measures	Assessment	More information
1. Improve the quality of outputs		
1.1 Achieve or exceed timeliness, statistical reliability, response rates and accuracy objectives:		
• timeliness	The time between the end of the reference period and release was similar to previous years.	Quality and timeliness
• statistical reliability	The ABS continued to take steps to maintain and improve the reliability of statistics.	Quality and timeliness
• response rates, and	The ABS maintained high response rates.	Provider/respondent relationships
• accuracy.	The ABS continued to work towards ensuring that statistics released were accurate.	Quality and timeliness

2. Increase the quantity of outputs¹		
2.1 Increase the range of statistics disseminated.	Number of releases increased from 733 in 2004-05 to 781 in 2005-06. All statistics on the ABS web site are now free, increasing the accessibility of information for users.	Dissemination of statistics
2.2 Innovative outputs.	There were 126 new releases produced. Changes were made to the ABS website to make outputs more accessible. The ABS undertook a range of additional analysis projects to produce new outputs.	Dissemination of statistics Extended analysis of statistics Quality and timeliness
3. Achievement of cost effective outputs		
3.1 Conduct efficiency reviews and audits, and implement their recommendations.	The ABS conducted a number of reviews and audits, which produced a range of recommendations for work program and procedures.	Effectiveness of activities
3.2 Test operating efficiencies of statistical activities by benchmarking internally and externally.	Benchmarking – comparing ABS activities with those elsewhere in the organisation, in other agencies in Australia and overseas – is a part of many reviews and audits.	Effectiveness of activities
3.3 Market test a number of non-statistical activities to identify possible outsourcing opportunities.	The ABS makes use of external providers in a range of activities. No additional outsourcing opportunities were identified in 2005-06. The ABS worked closely with partners on the 2006 Census including development of the eCensus.	Effectiveness of activities
3.4 Minimise respondent load.	Respondent load is closely monitored and minimised as much as possible, through ensuring data is of high priority, and through good sample and questionnaire design.	Provider/respondent relationships Effectiveness of activities

1 Measure 5 in 04-05 ABS Annual Report

Chapter 9

Engagement with users of statistics

Introduction

For the ABS to be able to make a valuable contribution to informed decision making, research and discussion, the organisation needs to ensure that the statistical services provided meet user needs, are timely and of high quality, and are accessible and understandable to users in government and the broader community. Thus, the ABS places considerable importance on building close relationships with users, understanding these needs, and being responsive to these needs.

The ABS engages with users in many ways, including:

- executive level meetings with key users
- participation in groups where statistical requirements may be discussed
- formal user and advisory groups established by the ABS
- partnerships on statistical activities
- consultations on statistical developments
- outposted officers to key clients
- training courses assisting users in understanding and using ABS statistics, and
- informal ad hoc assistance and discussions.

Executive level meetings

In 2005–06, ABS senior managers met with their counterparts in other organisations to discuss strategic statistical issues. These meetings gave ABS the opportunities to discuss emerging issues, and associated needs for data, and complemented other discussions with a more operational focus.

Examples of meetings held with other agencies in 2005–06 are given below.

There were a number of meetings with executives in the *Department of Employment and Workplace Relations*, with discussion covering issues around labour force participation, the expected impact of the new workplace relations arrangements, estimates from the Labour Force Survey for Indigenous Australian people, and the information needs around skills shortages. The latter issue became a key focus after COAG, and is discussed further in chapter 11.

A meeting with the *Department of Communication, Information Technology and Arts*, covering the key policy drivers, revealed a substantial use of statistics by that agency, and a range of additional data needs. The need for regional data regarding Internet activity and use was the most significant data gap raised.

A Strategic Liaison Committee has been established between the ABS and the *Department of Industry, Tourism and Resources (DITR)*. A number of initiatives were agreed to at the first meeting of the committee, including the preparation of a DITR statistical priorities paper.

A meeting was held with the *Department of Agriculture, Fisheries and Forestry*, the *Australian Bureau of Agricultural and Resource Economics* and the *Bureau of Rural Sciences* to discuss a range of issues including: the creation of the Centre for Environment and Energy Statistics Advisory Board; the ABS role in water accounting; plans for the 2005-06 Agricultural Census; and plans for the Natural Resource Management Survey.

An agency heads meeting with the *Department of the Environment and Heritage* covered issues around the establishment of a national environment statistics system. (see chapter 3 for more information)

Meetings with the *Department of Health and Ageing* covered a range of statistical developments in the health field, including mental health and nutrition surveys.

Meetings with the *Department of Immigration and Multicultural Affairs* about data needs for migrant statistics, which led to the development of a joint statistics working group (see further discussion below).

Executive level staff in ABS regional offices met with senior state government officials as part of determining the state statistical priorities for discussion at the annual State Statistical Forum (see below for details).

Senior ABS staff met with the Secretary of the *Victorian Department of Treasury and Finance* to discuss statistical priorities for the Victorian Government, especially in relation to government financial statistics and taxation arrangements.

A forum with *South Australian State and Local Government* senior personnel was convened in February 2006 to enable a clear understanding of the ramifications of the current South Australian geographic systems, in regard to the delivery of quality statistical information for South Australian decision making in the future. There was a particular focus on rural addressing issues. The creation and use of mesh blocks and the use of the ABS address coder were also addressed.

Senior staff from the Western Australian office of the ABS met with representatives of the *Western Australia Department of Industry and Resources* to discuss their statistical needs, including capital stocks estimation and conducting a mining industry survey on royalties. In response to the first issue, the ABS will participate in a newly formed Technical Reference Group working on 'Understanding the WA economy – a productivity analysis'. The second issue is likely to impact on ABS national mining statistics and will be addressed through an ABS outposting to the department late in 2006.

Participation in groups

The ABS participated in a range of groups set up by or with other organisations. In these groups, ABS staff contributed to discussion on statistical issues, and gained an understanding of the context in which statistics would be used, supporting policy development and other decision making processes.

The ABS is represented on the *National Health Information Group* (NHIG). A number of health information committees report to NHIG on progress against their workplans, particularly the specific activities that are funded by health ministers; on implementation of electronic health records (and related statistical implications); and on the development of national minimum datasets, standards and classifications.

ABS is also represented on the *National Community Services Information Management Group* and contributed to the development of the National Community Services Information Strategic Plan 2005–09, which was endorsed by the Community Services Ministers' Advisory Council in November 2005.

The Australian Statistician is a member of the *Australian State of the Environment Committee*, which is mandated to provide an independent report on the State of the Environment.

ABS is involved in the Prime Minister's *Science, Engineering and Innovation Council* as part of a Working Group looking at the management of scientific data and information.

ABS acts as an advisor to the Ministerial Council on Education, Employment, Training and Youth Affairs (MCEETYA) sub-group *Performance Measurement and Reporting Taskforce*, and is a member of the *National Training Statistics Committee*.

Some of other groups that the ABS has been involved in are:

- Health Statistical Information Management Committee
- National Advisory Group on Aboriginal and Torres Strait Islander Health Information
- National Land and Water Resources Audit Advisory Council
- Working Group on Improved Environmental Reporting Systems in Australia
- Commonwealth, State and Territory Advisory Committee on Innovation
- Regional Whole-of-Government Deputy Secretaries Committee
- Tourism Research Committee and Tourism Industry Advisory Panel
- Report on Government Services Steering Committee.

User and Advisory Groups

The ABS has an extensive range of user and advisory groups that discuss issues relating to the ABS statistical program. The full range of groups is listed in Appendix 2.

As mentioned earlier, the Australian Statistics Advisory Council (ASAC) meets twice a year to provide directions and priorities regarding Australian statistical needs. (see chapter 2)

The State Statistical Forum, consisting of all the state and territory government representatives from ASAC, meets once a year to advise on the state and territory statistical priorities. In preparation for the State Statistical Forum, ABS state and territory offices undertake extensive consultation with state/territory government departments on their statistical needs.

While many of the other ABS advisory groups have been operating for a number of years, 2005–06 saw an increase in the range of groups, following renewed focus on building relationships with users. In this period, the following groups met for the first time:

- Advisory Group for Aboriginal and Torres Strait Islander Statistics
- Demography Statistics Advisory Group
- Productivity Measurement Reference Group
- Centre of Environment and Energy Statistics Advisory Board (with additional user groups for Energy, Land, Water and Household Reporting also convened).

In addition, the Research and Development Statistics User Advisory Group and Input Output User Group were reformed in 2005–06.

Partnerships – using ABS data

The ABS forms partnerships with organisations using ABS data to extend the use of statistics by assisting users and understanding their needs, particularly in relation to policy development. Some significant initiatives, undertaken in partnership with clients and other stakeholders, are highlighted below.

Migrant statistics

The ABS expanded its focus on migrant statistics in 2005–06. The ABS worked with the Department of Immigration and Multicultural Affairs to determine their data needs and priorities, through a joint statistics working group, which met regularly. This exercise has led to an agreement to establish a jointly managed and funded national Migrant Statistics Unit. (see chapter 5 for more information)

Mesh blocks and agricultural statistics

The ABS established a partnership agreement with Department of Agriculture, Fisheries and Forestry and the National Water Commission to contribute to the cost of mesh block coding of farms included in the Agricultural Census. This project is described further in chapter 4.

The ABS has entered into an Agency Agreement with the Australian Bureau of Agricultural and Resource Economics (ABARE) for a collaborative data dissemination approach, which involves the release of detailed ABS Agricultural Census and Survey data on the ABARE web site via an interactive product called AGsurf.

Queensland Census partnership

The ABS and the Queensland Office of Economic and Statistical Research (OESR) senior executives formed a 2006 Census Partnership Project Board and have met regularly over the last 12 months. The objective was to ensure the most accurate count possible was achieved. This partnership approach ensured that both levels of government were working collaboratively to achieve this common goal.

Results to date have been extremely positive with a complementary media campaign, strong engagement across state government in the use of their networks and facilities to progress the promotion of the census and, in particular, the special enumeration strategies.

Northern Territory statistics

In December 2005, the ABS and the Northern Territory Government signed a Memorandum of Understanding (MoU) aimed at strengthening the relationship between the Northern Territory Government and the ABS. This MoU provides a framework for working on specific areas of mutual interest, including 2006 Census enumeration and subsequent population estimates, as well as statistical coordination. Subsequently, a Northern Territory Government Census Steering Group was established to see that strategies are implemented to assist with the census operations.



The Australian Statistician, Dennis Trewin, signing a Memorandum of Understanding with the Northern Territory Government, represented by the Chief Minister, the Hon. Clare Martin. Robyn Elliott, Regional Director, ABS NT, Jennifer Prince, NT Under Treasurer, and Tony Barnes from the NT Treasury look on.

Collaborations

In 2005–06, the ABS entered into several trial projects with other organisations involving analysis of microdata from business surveys. These collaborations are described further in extended analysis of statistics (see chapter 14).

Sub-state/community indicators

In recent years, a number of state and territory governments have started developing sets of indicators covering a broad range of issues, including economic, population, wellbeing and environmental measures, to enable assessment of progress against priority areas for their jurisdictions. The ABS has been working closely with each of the state and territory governments in the development of these indicators, providing advice on possible data sources, and assisting with any issues on availability and quality. Examples of the indicator sets are: Tasmania Together; South Australian Strategic Plan; and Growing Victoria Together.

In 2005–06, the ABS initiated a project to take stock of the range of sub-state and community indicator work happening at the state/territory level, with a view to establishing good practice in supporting this work. Plans have been developed for a workshop in September 2006 involving state/territory government representatives, and invited national and international experts. The aim of the workshop is to identify future developments as well as clarify the role of the ABS and other parties in this field of statistical work in Australia.

Consultations

There is an extensive program of consultations carried out by the ABS, to get the views of users about aspects of the ABS' work.

Consultations were held as part of the development of several Information Development Plans (IDPs). The work on IDPs is described in more detail in the section on assistance to users of statistics (see chapter 11).

Users of ABS statistics were consulted in relation to a range of other reviews and developments, including:

- plans for the outputs from the 2006 Census of Population and Housing
- redevelopment of the established house price index (with Treasury and the Reserve Bank of Australia)
- review of strategic statistical issues for future national health surveys
- review of statistical geography in NSW
- proposal to merge activities associated with the Business Longitudinal Database and the Business Use of IT and Innovation Surveys
- review of the conceptual basis of the Venture Capital Survey
- review of user requirements for the Service Industry survey program
- development of content of the 2006–07 Agricultural Survey and the 2006–07 Natural Resource Management Survey
- user needs for information from the Vineyards Survey (with the Australian Wine & Brandy Corporation and the Grape & Wine Research & Development Corporation)
- development of a land parcel methodology to collect land and possibly natural resource management statistics
- review of adequacy of data outputs from monthly retail trade, quarterly business indicators and new capital expenditure, and
- review of adequacy of data from crime victimisation surveys.

Regarding the merging of surveys with the Business Longitudinal Database, there was a high degree of user acceptance for these plans, especially regarding the increased capacity for users to view data on the various drivers for productivity growth in association with a longitudinal view of the microdata.

Outpostings

Another way the ABS achieves its objective of user engagement is by outposting statistical officers to Australian, state and territory government agencies with a view to facilitating access to, and understanding of, statistics, and strengthening statistical coordination across these bodies.

While many outposting arrangements are ongoing, covering a wide range of issues, others are for short periods to assist with specific projects. A number of short-term outposting arrangements are discussed further in the section on assistance to producers of statistical services (see chapter 11).

A review of outpostings related to population statistics was conducted during 2005–06. As a result of the review, the ABS will seek to use outpostings more strategically, that is as a means of building relationships between the ABS and the agency, and ensuring statistical directions are aligned with the needs of these agencies.

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TABLE 9.1: Agencies with long-term ABS outposted officers, 2005–06

Level of government	Number in 2004–05	Number in 2005–06	List of outposted officers in 2005–06
Australian	8	7	Australian Taxation Office Department of Education, Science and Training Department of Employment and Workplace Relations Department of Families, Community Services and Indigenous Affairs Department of Health and Ageing Department of Industry, Tourism and Resources Productivity Commission
State and Territory	6	12	ACT Chief Minister's Office x 2 ACT Treasury NSW Premier's Department NT Department of Employment, Education and Training NT Parks and Wildlife Service/NT Tourism Commission NT Treasury SA Department of Trade and Economic Development SA Department of Health Victorian Department of Treasury and Finance and the Department of Premier and Cabinet Victorian Department of Sustainability and Environment and the Department of Primary Industries WA Department of the Attorney General

In addition, an officer worked with the Melbourne Institute of Applied Economic and Social Research at Melbourne University on the Household, Income and Labour Dynamics in Australia project and another outposted officer worked on the Longitudinal Study of Australian Children with the WA Telethon Institute for Child Health Research (see chapter 11 for more information).

Training Courses

The ABS conducts a range of training courses to assist users in understanding ABS statistics. These courses can also be beneficial to the ABS staff conducting them as they provide an opportunity to discuss user needs and concerns.

The National Statistical Training Institute in the ABS, along with the State/Territory Statistical Services units in each regional office, co-ordinated the development and presentation of a wide range of training courses on statistical issues in 2005–06. The Institute was launched in 2003–04 to provide high quality statistical training for both ABS staff, and for external agencies as part of the National Statistical System.

TABLE 9.2: National Statistical Training Institute training courses conducted in 2005–06 for users of ABS statistics

Course	Number of participants from other agencies
Turning Data into Information	221
Making Quality Informed Decisions	117
Basic Statistical Analysis	55
Understanding Demographic Data	42
Understanding Labour Statistics	41
Basic Survey Design	74
Principles of Questionnaire Design	44

There were also seminars conducted after the release of Australian Social Trends and other key publications. In addition, some areas gave tailored training for particular clients. Examples included:

- National Accounts training for Northern Territory government officers,
- Supertable Training for Department of Employment and Workplace Relations, to assist in accessing and utilising Labour Force Survey datacubes more efficiently, and
- Statistics for Policy Writing for the South Australian Government.

Informal assistance and discussions

Many areas in the ABS have discussions with users of statistics, particularly through the National Statistics Centres (NSCs). The NSCs have been established to provide expert assistance to users in a designated field of statistics and to ensure that the ABS developments in each of these fields are forward looking and aligned with key user needs. Staff in NSCs have expertise in matters of policy, issues and developments in their field and build close links with relevant clients. Their role is to contribute to the development of statistics in the national and international contexts, within their field.

Some examples of the assistance and discussions include:

- briefings to the Treasury and the Reserve Bank of Australia on national and international accounts statistics on a quarterly basis
- discussions with the Victorian Department of Treasury and Finance (DTF) to assist in their understanding of the flows, adjustments and transformation of DTF Budget Account data to Government Finance Statistics Accounts and National Accounts
- assistance to the Department of Agriculture, Fisheries and Forestry and the Bureau of Rural Sciences on a number of activities using statistics as a central focus, including Signposts for Australian Agriculture and the National Agricultural Monitoring System to support Exceptional Circumstances assessments
- presentation of an Australian Research Alliance of Children and Youth 'webinar' on data relating to families, communities, children and youth, for 15 communities across Australia who are participating in the Department of Families, Community Services, and Indigenous Affairs 'Stronger Families and Communities' project 'Communities for Children'

- briefing for a range of agencies to raise awareness of the ABS Indigenous statistics program, and to improve ABS understanding of priorities – for example, ABS staff met with the Indigenous and Transitions group in the Department of Education, Science and Training
- assistance to the Productivity Commission on availability, quality and analysis of statistical data in its work on their Overcoming Indigenous Disadvantage report
- provision to the Treasury and the National Centre for Social and Economic Modelling of Survey of Income and Housing data for modelling household economic activity.

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Chapter 10

Provider/respondent relationships

Introduction

The work of the ABS would not be possible without the continuing cooperation of those in business, householders and others who provide the data that form the basis of the statistics produced. The ABS works hard to secure the trust and confidence of data providers, without which the provision of a quality statistical service would be jeopardised. The ABS continues its endeavours to reduce the burden placed on data providers by expanding the use of administrative data.

ABS Service Charters

The ABS recognises its obligation to respondents in statistical collections, and has produced service charters relating to both business surveys and household surveys.

The *Business Surveys Charter* sets out the relationship between the ABS and businesses, which provide it with information for statistical purposes. The charter explains how businesses can seek help from the ABS. The charter also specifies how businesses can ask for a review of the handling of their complaint.

The charter was developed in consultation with representatives of small business and is reviewed annually. The charter is provided to new respondents in collections involving businesses, and is also available on the ABS web site. It is produced in English, Mandarin, Vietnamese, Greek and Arabic.

The *Household Surveys Charter*, newly produced in 2005–06, sets out the relationship between the ABS and members of the public who provide it with information for statistical purposes about themselves and their household. The charter explains what people can expect when dealing with the ABS and ABS interviewers. The charter includes information about the way that household surveys are conducted, the way that complaints are handled, and invites comments and other feedback. The charter is available on the website and it will be produced in a number of different languages during 2006–07.

The ABS also has a *Client Service Charter*, which describes the relationship between the ABS and users of its products and services. More information on this charter can be found in the chapter on dissemination of statistics.

All of these charters include performance standards for the relationships between the ABS and its clients, and its service delivery. Performance against these standards is the subject of ongoing review, as are the charters themselves.

Confidentiality of data

The ABS would not be able to operate effectively without the trust and confidence of data providers. The legal requirement not to divulge identifiable information, and the strong confidentiality and security ethos which permeates the attitudes of ABS staff, are the most important elements of the ABS security system. It is reinforced by a range of measures

relating to the perimeter security of all offices, the security measures protecting the computing environment from any external access, and the security measures implemented for individual data holdings.

The *Census and Statistics Act 1905* obliges ABS staff to maintain the secrecy and security of all data reported to, and held by, the ABS. Staff sign an undertaking of fidelity and secrecy under the terms of the legislation. The personal responsibility of all staff is a crucial element of ABS culture. It is the foundation upon which the security of ABS data holdings is built.

The ABS has an enviable reputation for the preservation of the secrecy of reported information, and for the protection of its statistical data holdings from unauthorised release.

In 2005–06, the ABS released a statement on the ABS web site outlining the importance of confidentiality of data provided, and how the ABS protects the confidentiality of data (Survey Participant Information – How the ABS Keeps Your Information Confidential).

Provider load

In order to fulfil its mission of providing information to support discussion, debate and decision making, the ABS is required and empowered to collect information from businesses and households. At the same time, the ABS is conscious that the needs of users for information must be balanced against the extent of requests for information from businesses and households. The amount of time (totalled for all collections and all respondents) needed to complete ABS surveys is referred to as 'provider load'.

The ABS endeavours to minimise the provider load by promoting efficiency and effectiveness of ABS operations and the ABS survey program. This means that information is not requested unless the collection is of high priority for the national statistical program. It also means that forms are well designed and thoroughly tested, so that they are as easy to complete as possible. In relation to business surveys, there is close liaison with representative groups, both in relation to the survey program and the demands on businesses.

Provider load in business surveys

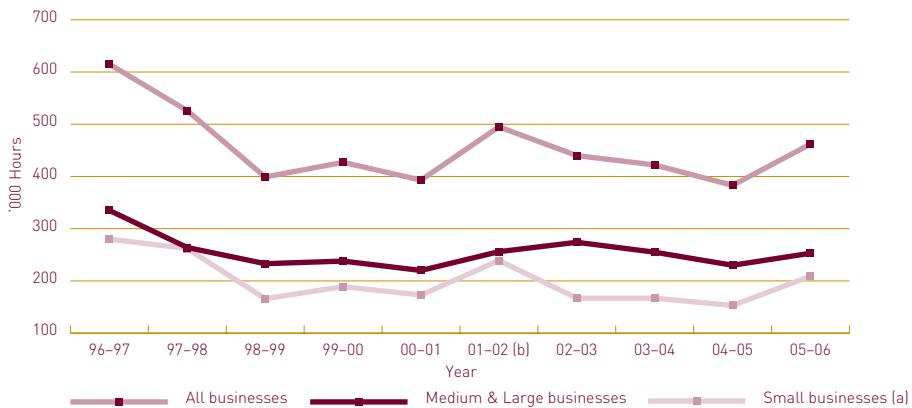
Following the recommendations of the Australian Government's 1996 Small Business Deregulation Task Force (which found that the ABS only accounted for about 1% of total business compliance costs), the total ABS provider load on businesses has been substantially reduced.

More recently, the ABS has been involved in the Government's *Taskforce on Reducing the Regulatory Burden on Business*, and the response to the recommendations. The taskforce report did not have any recommendations specific to the ABS, and acknowledged the value of the ABS' role as a clearing house for Australian Government surveys (for more information about the Statistical Clearing House, see chapter 11). The report also recommended that the Business Activity Statement adopt ABS forms design standards for explanatory notes attached to data items.

As can be seen in the Graph 10.1 below, the average total load on all businesses during the past five years has been around 440,000 hours/year, or 32% lower than for 1995–96. For small businesses, the average total load during the past five years has been around 187,000 hours/year, or 42% lower than in 1995–96. These decreases in total load have occurred at the same time as the number of businesses has been increasing.

Graph 10.1 shows the unadjusted provider load (measured in thousands of hours taken to complete statistical forms) imposed on businesses by the ABS for 1996-97 through to 2005-06.

Graph 10.1: Unadjusted provider load imposed on businesses by the ABS



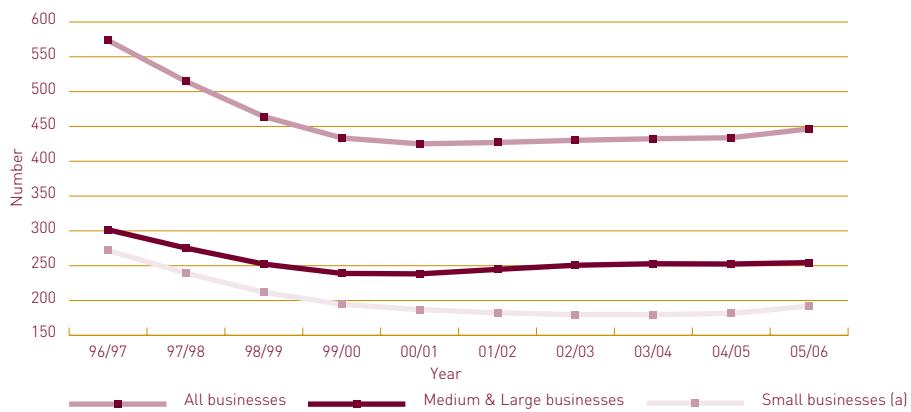
(a) Defined as businesses with less than 20 employees or a derived estimate of employees of less than 20.

(b) Higher provider load estimates for 2001-02 reflect the conduct of the five-yearly Agricultural Census.

The increase in provider load partly reflects a number of collections conducted in 2005-06 that were not conducted in 2004-05. For example, the Survey of Employee Earnings and Hours (with a load of around 15,000 hours), is run every two years, and was conducted in 2005-06. Another factor in the increase in 2005-06, particularly for small businesses, was the expansion in the scope of the collection for the Survey of Tourist Accommodation (contributing a load of around 20,000 hours). This expansion involved the inclusion of smaller accommodation establishments, and was funded by the Australian Government Department of Industry, Tourism and Resources.

Provider load figures from 1996-97 to 2005-06 were smoothed using an 11-term Henderson moving average to reveal the underlying direction. This smooths for the effect of irregular and regular contributors to provider load, such as the 5-yearly Agricultural Census. Since 1999-00, the smoothed provider load estimates appear to have remained stable for businesses of all sizes (Graph 10.2).

Graph 10.2: Smoothed provider load imposed on businesses by the ABS



(a) Defined as businesses with less than 20 employees or a derived estimate of employees of less than 20.

Provider load in household surveys

Table 10.1 shows household provider load over the last 4 years. The household survey program varies considerably from year to year, with many major surveys on 3- to 6-yearly cycles. In general, there is pressure to expand the household survey program to meet the need for information about the population. However, this will need to be balanced with the load on providers. In particular, some valuable surveys are very time consuming for households to complete, for example, the Time Use Survey and Household Expenditure Survey. Although the overall load is tending to increase, the ABS designs household survey samples to ensure dwellings are not selected in more than one of these surveys. For example, the dwellings selected in the Time Use Survey are different to those selected in the National Health Survey.

The ABS is taking steps to reduce provider load on households and individuals where it can. One significant initiative in this respect has been the move to a biennial Survey of Income and Housing Costs. The survey, previously conducted annually, will have a larger sample size of 11,000 households, an increase of 4,000 households, but the total respondent burden over a two year period will decrease substantially.

One area of particular concern is the load placed on Indigenous Australian communities for statistical information. It is much larger than for the general community. ABS surveys play a part but there are many non-ABS surveys as well. There is a need for better coordination of all surveys. In recognition of the increased load, the ABS is putting more effort into feeding statistical information back to communities for their own use.

The ABS took part in an Australian National Audit Office (ANAO) Cross Portfolio Performance Audit on Forms for Individual Service Delivery. The final report was tabled in January 2006. The ANAO looked at the ABS' use of forms for the Census of Population and Housing as a benchmark for comparison with the forms used by three human services agencies. Part of the audit process was to assess the perceived usability and comprehensibility of selected forms, and the general perception of participants was the form used, the Major Test for the 2006 Census, was easy to complete.

Table 10.1: Household Provider Load (approximate financial year data)

Year	Survey	Achieved Interview Time (mins)	Total Fully Responding Households	Total Provider Load (Household Hours)
2002/03	Monthly Population Survey (MPS) (a)	6.8	369,690	41,898
	National Aboriginal and Torres Strait Islander Social Survey (NATSISS) - Non-Community	53.8	4,621	4,143
	NATSISS – Community	62.4	738	768
	Total		375,049	46,809
2003/04	MPS (b)	6.7	363,592	40,601
	Survey of Disability, Ageing and Carers	43.4	14,323	10,360
	Household Expenditure Survey (HES)	111.6	6,957	12,940
	Survey of Income and Housing (supplementary sample to HES)	50.7	4,404	3,721
	Total		389,276	67,623
2004/05	MPS (b)	7.0	363,018	42,352
	Multi-Purpose Household Survey (MPHS)	8.5	14,522	2,057
	National Health Survey	40.0	19,502	13,001
	National Aboriginal and Torres Strait Islander Health Survey (NATSIHS) (Non-Remote)	57.8	3,325	3,203
	NATSIHS (Remote)	not available	1,319	not available
	Total (c)		400,367	60,614
2005/06	MPS	6.3	367,705	38,609
	MPHS	10.6	14,234	2,514
	General Social Survey	45.3	13,404	10,120
	Personal Safety Survey	27.9	16,430	7,640
	Survey of Education and Training	36.3	13,857	8,383
	Survey of Income and Housing	39.6	10,158	6,704
	Total		435,788	73,970

(a) MPS in 2002–03 included the Survey of Income and Housing for January to June 2003 inclusive

(b) Full Computer Assisted Interviewing (CAI) implementation for MPS occurred in August 2004, January to July figures include paper and pen interviewing and CAI combined average

(c) Excluding NATSIHS (Remote) as interview time data not available

Response rates

The ABS has consistently had very high response rates for both household and business surveys. International benchmarking studies have shown these response rates compare favourably with other international statistical organisations.

Since response rates vary little over time, especially for sub-annual surveys, it is more appropriate to report against target response rates than changes in the rates from year to year. Table 10.2 shows that response rates for selected economic collections either achieve or exceed the target response rates set by the ABS.

It is important to note that, in regard to business surveys, follow up procedures tend to focus on the more significant businesses, that is, those with typically high sales or employment relative to the rest of the industry. For example, the response rate for businesses in the manufacturing survey might be 92 per cent, but the businesses that have responded may comprise 96 per cent of the total employment in the industry.

Table 10.2: Response rates for selected business surveys

	Target response rate (%)	Response rate 2004/05 (%) (a)	Response rate 2005/06 (%) (a)
<i>Business surveys</i>			
Retail Business Survey	96	96	97
Economic Activity Survey	86	92	91
Quarterly Business Indicators Survey	85	90	91
Manufacturing Survey	90	92	90
Survey of Tourist Accommodation	90	91	93
Agricultural Survey	80	86	90
Survey of International Trade in Services	90	94	93
Survey of Research and Experimental Development - Businesses	90	86	94
<i>Household surveys</i>			
Labour Force Survey	97	96	96
Survey of Education and Training	90	(b) 79	87
Personal Safety Survey (c)	78	(d) 77	72
General Social Survey	89	(e) 91	86
Survey of Income and Housing	85	(f) 86	83
Multipurpose Household Survey (g)	87	86	88

- a) Average response rates over the year for sub annual surveys. Response rates apply to the year in which the data is collected.
- b) A comparable previous survey is the Survey of Education and Training and Information Technology, which was conducted in 2001
- c) Results for the Personal Safety Survey are expected to be released in July 2006
- d) A comparable previous survey is the Women's Safety Survey, which was conducted in 1996
- e) The previous General Social Survey was conducted in 2002
- f) The previous Survey of Income and Housing was conducted in 2003-04
- g) The results for the Multipurpose Household Survey are used in several ABS publications. The survey is enumerated monthly and the response rates are a simple average.

The Labour Force Survey response rate, shown in table 10.2, is an average of the monthly response rates available throughout 2005–06, and is lower than the target response rate owing primarily to the introduction of Computer Assisted Interviewing (CAI). Analysis of response rates indicates that CAI response rates have remained lower than those achieved in the previous environment. The ABS is reviewing procedures and processes to improve the rate.

Complaints from providers/respondents

Each year over 200,000 businesses and around 400,000 households are selected in ABS surveys. Households or businesses who have complaints about being selected in a survey, or about the processes involved, have a number of avenues for complaint. Contact numbers are provided with all survey information (preliminary approach letters and brochures for household surveys; survey forms for business surveys). Many respondents call these numbers and discuss any concerns with ABS officers involved in the surveys.

There are also more formal avenues for complaint, including writing or emailing ABS management, writing to the ABS Complaints Review Officer, approaching a parliamentarian, or contacting the Commonwealth Ombudsman. Information about the first two avenues are shown in the table below.

Table 10.3: Written complaints from respondents in ABS surveys

	2001–02	2002–03	2003–04	2004–05	2005–06
<i>Complaints to the ABS survey areas</i>					
Business surveys	550	427	397	300	360
<i>Letters to politicians (ministerial correspondence)</i>					
Household surveys	6	8	10	15	14
Business surveys	16	20	6	7	9

In relation to household surveys, the number of ministerials received was around the same level as in 2004–05. In addition, in 2005–06, two complaints about participation in household surveys were made to the ABS Complaints Review Officer, and two complaints were made through the Commonwealth Ombudsman's office.

As household surveys are conducted by interviewers, either by phone or in person, most questions and complaints are dealt with directly and informally by survey staff, and do not result in formal written complaints.

ABS business surveys predominately rely on forms to be mailed to the ABS, and the number of written complaints is much higher than for household surveys. In 2005–06, a total of 360 businesses wrote to the ABS complaining about provider issues. This was slightly up from the complaints received by the ABS in the previous year, but lower than previous years.

Every complaint is responded to either in writing or by telephone by the ABS and, as provided for in the ABS Business Surveys Charter, if the complainant is not happy with the response they can take the matter to the Complaints Review Officer. During 2005–06, there were no complaints made about business surveys to the ABS Complaints Review Officer, and there were none referred through the Ombudsman's office.

Notices of Direction and prosecution actions

Under sections 10(4) and 11(2) of the *Census and Statistics Act 1905*, the Australian Statistician may, by notice in writing, direct a person to complete a form or answer a question. Under section 14 of the *Census and Statistics Act 1905*, a person commits an offence if they fail to comply with a notice of direction. The penalty for this is set at one penalty unit (\$110 in 2005–06) in respect of each day until the person complies with the direction – although, the application of this penalty is at the discretion of the Court.

These provisions are used sparingly, as the ABS prefers to seek the willing cooperation of respondents. However, it is sometimes necessary to use the legislative provisions, to ensure that the high response rates and the high quality data are maintained.

The number of notices of direction issued and the number of prosecution actions approved in recent years are shown in Table 10.4.

The number of notices of direction issued in 2005–06 continued to be low, reflecting the high levels of cooperation from providers. However, the introduction of new procedures for issuing notices of direction in 2005–06, and a review of processes in the Provider Contact Unit for business surveys led to an increase in the number of notices of direction issued in 2005–06. One prosecution action was approved in June 2006.

Note that the number of notices of direction and prosecution actions approved is higher every five years when the Census of Population and Housing is conducted. It can be expected that there will be a substantial increase again in 2006–07.

Table 10.4: Notices of direction issued and prosecution actions approved

	2001–02	2002–03	2003–04	2004–05	2005–06
Notices of direction issued					
Census of Population and Housing	595	-	-	-	-
Household surveys	13	1	-	1	8
Business censuses and surveys	21	23	1	-	4
Total	629	24	1	1	12
Prosecution actions approved (a)					
Census of Population and Housing	104	-	-	-	-
Household surveys	2	-	-	-	-
Business censuses and surveys	-	1	-	-	1
Total	106	1	-	-	1

(a) Approved by the Australian Statistician for referral to the relevant office of the Director of Public Prosecutions. Any particular prosecution approval may pertain to a number of notices of direction. Each prosecution action approval is counted in the year in which the corresponding notices of direction are issued. Not every prosecution action approved proceeds to court.

Chapter 11

Assistance to producers of statistical services

Introduction

As part of leading the national statistical service, the ABS aims to work in partnership with other organisations to expand and improve the quality and awareness of statistical services available.

The ABS' role in coordinating the operations of official bodies in the collection, compilation and dissemination of statistics is established in the *Australian Bureau of Statistics Act 1975*. Some aspects of this role, such as the Statistical Clearing House, have been in existence for many years. However, the focus on the National Statistical Service, as explored further in chapter 3 has led to the recent expansion of activities to support producers of statistics.

The ABS often directly assists producers of statistical services, as explained below, but other assistance is more general. For example, Information Development Plans are an important aspect of assistance as they involve identification of potential sources of information that may assist in meeting user needs.

National Data Network

The National Data Network (NDN) is a national platform for acquiring, sharing and integrating data relevant to policy and research. It is being developed by the ABS on behalf of a consortium of Australian and state/territory government agencies, with the objective of achieving:

- better use of information resources, while maintaining careful attention to privacy obligations and public trust
- greater comparability/integrability and quality of information resources by making available tools, services, methods and documentation
- increased collaborative statistical research and development.

In 2005–06, the development of the NDN continued, including the development of metadata standards and integrating the Commonwealth Scientific and Industrial Research Organisation's (CSIRO) data analysis software tool, Privacy Preserving Analytics, into the network.

The NDN is now in demonstration phase, the objectives of which are to:

- identify the feasibility of developing a networked system utilising open source software
- understand the cost of implementing and participating in the NDN
- understand the issues associated with the sharing of information securely, and
- identify the potential take-up of the NDN.

There are seven nodes functioning in the demonstration phase of the NDN:

- the ABS, Queensland Office of Economic and Statistical Research, Telethon Institute of Child Health Research, Australian Institute of Health and Welfare are participating as Full Nodes
- Tasmanian Department of Premier and Cabinet, NSW Department of Planning, Cystic Fibrosis Association of Australia are participating as Lite Nodes.

Partnerships – for production of statistics

The ABS works with other agencies to expand and improve the quality of data available. At times this is in an advisory role; at others the ABS has a more active role. Following a description of some of the activities that are part of the ABS' wide-ranging partnerships with three key agencies, Table 11.1 lists a range of other projects that the ABS is involved in.

Australian Taxation Office (ATO)

The ABS works closely with the ATO, with the ABS' Business Register, used to select units for ABS business surveys, largely drawn from the ATO's Australian Business Register. The ABS has worked with the ATO on the introduction of ANZSIC 2006 into the ATO's systems. This included cooperation on several ABS/ATO groups, provision of training and other support. The ABS provided various coding and documentation tools related to ANZSIC. Also, a full-time ABS outposted officer is assisting the ATO to code existing Australian Business Register records to ANZSIC 2006.

The ABS accepted an invitation to join the ATO's Taxation Statistics Advisory Panel with the intention of improving the range of statistical outputs produced by the ATO.

The ABS is assisting the ATO to redevelop their application of confidentiality techniques in order to improve the efficiency of the production of the Annual Taxstats product.

Australian Institute of Health and Welfare (AIHW)

The ABS works closely with the AIHW to develop statistics for a wide range of population groups and areas of social concern, with the aim of developing the range and quality of statistics, and promoting sound analysis. Areas of common interest include health, housing, community services, Indigenous Australians, older Australians and children and youth. The ABS/AIHW meet regularly to coordinate efforts. For example, the ABS/AIHW Indigenous Data Coordination Group enables the organisations to work together in relation to Indigenous Australian statistics.

In many fields the ABS works collaboratively with the AIHW on projects reporting to Ministerial Advisory Councils. A recent example is a joint project providing support and analysis for state/territory health survey data pooling projects, under health information committees reporting to the Australian Health Ministers' Advisory Council.

The ABS also often provides input and comments into AIHW publications, sometimes working with AIHW on producing joint publications, such as *The Health and Welfare of Australia's Aboriginal and Torres Strait Islander Peoples, 2005* (ABS cat. no. 4704.0).

Department of Families, Community Services, and Indigenous Affairs (FaCSIA)

The ABS works closely with FaCSIA on a range of FaCSIA's key surveys, used in developing and evaluating policy.

Living in Australia Study (Household Income and Labour Dynamics in Australia – HILDA)

The ABS is a member of both the steering committee and technical committee for this longitudinal study, provides demographic benchmarks for the survey and also provided detailed methodological support through an outposted officer. This methodologist worked with the Melbourne Institute (the organisation contracted to conduct the survey) for 20 months, ending April 2006, and provided support in a range of areas, including imputation and validation.

Growing up in Australia Study (Longitudinal Study of Australian Children – LSAC)

The ABS is a member of the steering committee and provides technical advice through a range of the study's design teams. The Australian Institute of Family Studies (AIFS) is contracted by FaCSIA to conduct the study. ABS is contracted to undertake the testing and enumeration phases of Waves 2 to 4 of the study. This includes respondent management between waves and delivery of a clean input unit record file to AIFS from each wave of the study. The second wave is in the field until October 2006.

Longitudinal Study of Indigenous Children – LSIC

The ABS has contributed to the development of the LSIC through its membership of the steering committee, and the design sub-committee. Since early 2006 ABS and FaCSIA have jointly worked to test strategies to identify a sample frame for pilot tests, with a strong emphasis on community engagement. The ABS conducted the first pilot test in June 2006 and expects to conduct a second in early 2007. Results from these tests will inform the future directions for the study.

Table 11.1: Examples of projects where the ABS has assisted another organisation to produce statistics

Agency Partner	Project
Australian Prudential Regulation Authority (APRA)	The ABS cooperated extensively with APRA in establishing their new survey of superannuation funds, which replaced the ABS Survey of Superannuation. Assistance was provided to establish appropriate data quality measures and systems. The agencies are continuing to develop strong statistical links.
Australian Bureau of Agricultural and Resource Economics (ABARE)	ABARE use information from the ABS' agricultural frame to collect information as part of their farm surveys program. The release of the lists is under clause 6 of the Statistics Determination. As a user of the agriculture frame, ABARE has been identified as a key external stakeholder and bilateral discussions are being held with them on an ongoing basis.

Agency Partner	Project
Australian Competition and Consumer Commission (ACCC)	The ABS has been working closely with the ACCC, as well as the Department of Communications, Information Technology and the Arts and the Australia Communications and Media Authority (ACMA), to reduce duplication of effort in reporting on Internet activity. This has included providing input to the ACCC on the steps required and the effort involved to run a complex collection, which has been incorporated into a major report on their future role in this area.
Department of Employment and Workplace Relations (DEWR)	The Council of Australian Governments commissioned the ABS to conduct a skills shortages project. The objectives were to: review the methodology of DEWR's skill shortages survey; investigate the costs of producing reliable estimates of skills in demand by occupation at the national and state/territory level; and work with DEWR to determine whether it is possible to devise a common survey instrument for use by stakeholders to measure skill shortages in particular regions or industries. Further discussion with DEWR will take place as required.
NSW Premier's Department	Through an outposting at NSW Premier's Department, the ABS is assisting in the implementation of the new Australian and New Zealand Standard Classification for Occupations (ANZSCO) in the NSW Public Sector Workforce Profile Collection, where occupation data are currently collected by three digit Australian Standard Classification of Occupations (ASCO). The outposted officer will assist in maintaining the relevance and accuracy of NSW public sector occupation data, which is increasingly important for workforce monitoring and planning purposes.
Agencies of the NSW Government	The ABS undertook the Small Area Economic Statistics Project in response to an ongoing request by a number of key NSW Government agencies for small area data that would provide indicators of economic activity at a post code or Local Government Area levels. State government agencies require these statistics to assist them with their policy and planning processes. The project assessed the availability and quality of existing administrative data sources for use in Small Area Economic Statistics and then considered the feasibility of progressing with the development of small area economic statistics based on these assessments.
Victorian Department of Human Services	The ABS undertook a feasibility study for the Victorian Department of Human Services (DHS) on linking data for child health and wellbeing. The Office of Children within DHS commissioned the project recognising that the department has access to a range of datasets about children and needs to make better use of combining these to measure outcomes for children. This project involved looking at two datasets that have been identified as having large coverage of children in Victoria: the births data compiled by the Victorian Perinatal Data Collection Unit; and the School Entry Health Questionnaire. The feasibility study focused on undertaking quality assessments of these two data sources and examining the types of variables that might be used to match records between the two collections.
Victorian Department of Infrastructure	The ABS undertook a review of the methodology used in the Victorian Activity and Travel Survey conducted by the Department of Infrastructure.

Agency Partner	Project
Queensland Office of Economic and Statistical Research	The ABS collaborated with the Queensland Office of Economic and Statistical Research to conduct a workshop for Indigenous Australian statistics. The aim of the workshop was to increase use of national standards and classifications and meet demand for better quality estimates.
Agencies of the South Australian Government	The Statistics Program, South Australia (SPSA) continues between the SA ABS office and the South Australian Government. This program involves a group of ABS officers working together in one location, with staff from various state government departments, on a range of statistical projects of strategic value to the state. SPSA also provides a means for the enhancement of analytical skills of government employees.
Western Australia Department of the Attorney General	The ABS provided assistance to the WA Department of the Attorney General in developing a strategic plan to produce comprehensive, quality and timely statistics to support planning and performance monitoring and research. Expected outcomes are improved availability of quality information in the Courts Division of the Department of the Attorney General, and improved decision making based on that information.
Tasmanian Department of Economic Development	The ABS outposted officers in the Tasmanian Department of Economic Development to help determine the best methodology for gathering and analysing information on people not in the workforce, and to the Tasmanian Department of Treasury and Finance to gain a better understanding of inter-state trade and to assist with a developing a methodology for collecting better data.

Information Development Plans

One of the ways the ABS achieves its objective of providing leadership of the national statistical service is by developing Information Development Plans (IDPs). The intention of an IDP is to identify, in close consultation with key users, the issues to be addressed in a particular field of statistics, the available data (both ABS and non-ABS), and the additional data needed to jointly prepare a plan for producers to use to meet key user needs.

IDPs assist the ABS, in its national statistical service role, to develop coordinated and integrated plans that achieve the best possible outcomes for users in given fields of statistics. There are a number of IDPs, in various states of progress, addressing statistical topics such as crime and justice, children and youth, information and communication technology, mining, manufacturing, education and training, rural and regional statistics, and emergency management.

IDPs had previously been published for education and training (*Measuring Learning in Australia – Plan to Improve the Quality, Coverage and Use of Education and Training Statistics* (cat. no. 4231.0) – September 2004) and crime and justice (*National Information Development Plan for Crime and Justice* (cat. no. 4520.0) – June 2005).

Specific achievements during 2005–06 included:

- release of *Information Paper: Regional Research in Australia – the Statistical Dimension: an Information Development Plan for Rural and Regional Statistics* (cat. no. 1362) in January 2006. The paper explores the broad themes of regional policy and brings these together into a definitional and information framework. Whilst it is

anticipated that the development of statistics to inform some regional issues identified in this plan will have some long lead times, overall it is hoped that the availability of small area data and information on regional Australia generally will improve considerably as a result of the plan.

- completing the first round of stakeholder workshops for the Ageing IDP. These workshops aimed to ascertain information priorities, data gaps and deficiencies. The first draft of the IDP will go to the National Ageing Statistics Unit Advisory Group before a second round of consultation begins. It is planned to finalise the IDP by the end of 2006.
- undertaking two rounds of consultations as part of developing an IDP for children and youth. A wide range of data sources that currently exist have been identified. By highlighting the availability of data sources, users should be better able to find them. The information plan is scheduled to be released in September 2006.
- establishing a steering committee to manage priorities following the release of the crime and justice IDP. Five priority development areas have been identified and a number of working groups, involving ABS and other agencies, have been set up to assist in developing new data sources in the areas of domestic and family violence, recidivism, small area crime statistics, substance abuse and mental health.
- starting development of a data needs and priorities paper for cultural heritage and arts, as a precursor to an IDP for this area.
- developing plans to draft an IDP for biotechnology statistics with funding from some key users.
- releasing the first annual review of progress on the education and training IDP.

In addition to the above plans initiated by the ABS, the ABS has also been involved with the drafting of an Emergency Management Information Development Plan (EMIDP). This plan has been drafted and circulated for comment, and should be published in 2006-07. While not leading this project, the ABS has chaired the working group in charge of developing this document, and is represented on a number of committees to examine statistical needs and to provide advice on information management for the emergency sector. The ABS is also considering its role in these statistics, along with the roles of other information providers.

The ABS has been working with the ACT Government in the development of *Agreed Statistical Priorities for the ACT Government: An Information Development Plan 2006-2010*. This has included meetings of key ACT government staff and the placement of two ABS outposted officers to the Chief Minister's Department to progress the plan.

Statistical Clearing House

The Statistical Clearing House (SCH) was established in response to a recommendation in 1996 by the Small Business Deregulation Task Force. Their report recommended that a central clearance process be established for business surveys conducted by the Australian Government. The purpose of the process was to ensure that surveys are necessary, well designed and place minimum burden on business respondents. As such, all surveys that are directed to 50 or more businesses and that are conducted by or on behalf of any Australian Government agency (including the ABS), are subject to clearance by the Statistical Clearing House. In view of its statistical expertise and statutory coordination role, the ABS was empowered to administer the clearance process.

The SCH pays particular attention to eliminating duplication in business surveys, and ensures that surveys conducted follow good statistical methodologies and practices.

Table 11.2 presents the number of survey reviews at various stages of completion for 2005–06. Throughout the year 118 reviews were completed, with all but two resulting in approval to proceed. SCH intervention has resulted in 73 instances of improved survey design and/or reduced provider load.

Table 11.2: Statistical Clearing House – status of reviews for statistical collections, 2005–06

	Completed	In Progress
ABS	29	3
Other	89	8
Total	118	11

The total annualised load for all surveys has reduced by 25% since the peak in 2002–03, in part due to a fall in the number of reviews referred to the SCH.

Table 11.3: Statistical Clearing House – completed reviews of statistical collections

Year	ABS	Other	Total
2001–02	38	77	115
2002–03	52	117	169
2003–04	33	87	120
2004–05	33	83	116
2005–06	29	89	118

The SCH's Australian Government Business Surveys Register (available on the Internet at <http://www.nss.gov.au/nss/home.nsf/pages/About+SCH>) provides access to information on collections that have already been conducted. It also includes information on survey design standards and best practices for organisations developing surveys. Metadata relating to 1,093 surveys are currently disseminated on the SCH web site.

Chapter 12

Quality and timeliness

Introduction

The quality of ABS outputs is critical to ensuring the ABS achieves its mission of assisting informed decision-making. The ABS strives to maximise the quality of information produced, taking account of budgetary constraints and an assessment of reasonable load to place on the respondents to our surveys.

Integrity

The ABS wants to produce credible statistics, and wants users to be confident of the quality. The integrity of ABS statistical operations is built on professional standards. The ABS aims to exercise the highest professional standards in all aspects of statistical operations. The ABS also recognises that having a quality culture is fundamental to maintaining the trust of the Australian community.

ABS data, analysis, and interpretations are objective, and the ABS always publishes its statistics in ways that explain and inform, without advocating a particular position.

The ABS regularly reviews the methodology used to produce statistics, providing the opportunity to make improvements and to incorporate new approaches where appropriate. For example, the methodology used for the Census Post-Enumeration Survey has been reviewed to ensure that the population estimates produced following the 2006 Census are as accurate as possible (for more information see chapter 5).

The ABS statistical system is open to scrutiny by people outside the organisation. The methodologies and approaches followed are based on sound statistical principles and practices and disseminated widely. The Methodological Advisory Committee consists of professional statisticians external to the ABS, and meets twice a year to provide peer review of methodological developments in the ABS. A range of research papers are published explaining statistical developments and research.

Aspects of quality

To ensure high quality statistics are produced, monitoring of quality is an integral part of the production process. The ABS quality assurance work covers a number of aspects of quality, which are examined in this chapter:

- relevance – the degree to which information meets the needs of users
- accuracy – the degree to which the information correctly describes the phenomena being measured
- timeliness – the delay between the reference period and the release of the information
- accessibility – the ease with which the information can be referenced
- interpretability – the availability of supplementary information necessary to interpret the statistical information
- coherence – the degree to which the information can be brought together with other information and over time.

Addressing the quality of a statistical product will always involve balancing these aspects. For example, often initiatives that could improve the accuracy of the statistics will reduce the timeliness or the relevance. It is also important the ABS manages its budget and finds the right balance between achieving a high quality of statistical information and collecting an appropriate range of statistics. The ABS aims to produce a large and diverse body of statistics with a quality designed to meet the key needs of researchers, policy makers and other users within the Australian community. The ABS also strives to ensure that the users of ABS statistical information are provided with readily accessible information on quality, so that they can make informed decisions on the suitability of the statistics for their intended use.

Relevance

The relevance of statistical information reflects the degree to which it meets the real needs of the users of the information. It is concerned with whether the available information sheds light on the issues most important to researchers and policy-makers. The outputs produced, the concepts and classifications used and the scope of the collection can all affect the relevance of the data.

A detailed understanding of the users of statistical information and their requirements is a very important part of the statistical process within the ABS, and it has a range of mechanisms to achieve this. The Australian Statistics Advisory Council assists the ABS with this. There are also a range of other groups and mechanisms, as described in chapter 9.

For particular surveys, key stakeholders are identified and consulted before and during the development. Further, each survey is regularly evaluated to assess the degree to which it meets user requirements. The gaps between user requirements and statistical output are formally considered by the ABS senior executive each year.

Other specialised reviews are also conducted regularly, for example, adequacy of data outputs from monthly retail trade, quarterly business indicators and new capital expenditure.

Accuracy

The accuracy of statistical information is the degree to which the information correctly describes the phenomena it was designed to measure. Most statistics produced by the ABS are obtained from a sample of households or businesses. This process results in some uncertainty as to the accuracy of the estimates published. For example, the estimate from the sample may not be the same as would have been obtained if information had been collected from the whole population – this is known as sampling error. There are also other sources of error that potentially cause inaccuracy including the level of non-response, the magnitude of revisions made as additional information is received, and errors from other parts of the collection process (non-sampling error).

Information about accuracy

Users will want to use statistical information for different purposes so it is important to make information available to enable users to make their own assessment of quality. Descriptions of accuracy, as well as extensive information on the statistical methods used in collections, are routinely provided in concepts, sources and methods publications, the explanatory notes in publications, and at the Statistical Clearing House through the ABS web site.

In addition, major changes to methodology are explained in feature articles or information papers. Some examples include a feature article on a new methodology for deriving counts of Australian exporters in *International Trade in Goods and Services, Australia, February 2006* (cat. no. 5368.0), and *Information Paper: Improved Methods for Estimating Net Overseas Migration, 2006* (cat. no. 3107.0.55.003).

The ABS has made few significant mistakes in the statistics it has released. On the infrequent occasions when substantial processing errors are found, it is ABS policy to publish corrected data as soon as possible. A serious error was discovered in the production of retail trade estimates in May 2005. The ABS commissioned a statistical expert, Mr John Cornish, to independently review the causes leading to the error. His report and the ABS management response were published on the ABS web site in July 2005. The ABS has been implementing a range of the recommendations from this review to help prevent or minimise the risk of a repeat occurrence of similar errors, especially when methodological or system changes are being made.

More recently, *Producer Price Indexes, Australia, March 2006* (cat. no. 6427.0) and *International Trade Price Indexes, Australia, March 2006* (cat. no. 6457.0) had to be reissued due to a processing error that resulted in incorrect exchange rates being used in converting prices expressed in foreign currencies (mainly \$US prices for imports) into \$A. Again, the ABS was open about the error, and will ensure that processes are examined to ensure that any weaknesses are addressed.

Non-sampling error

Non-sampling error is a general term that describes all sources of error other than the error introduced by the sampling process. Sampling error can be measured by using the mathematical properties of the selected sample. Non-sampling error is much harder to measure.

Some sources of non-sampling error that are most relevant to statistical surveys include: non-response error; errors in identifying and contacting the population of interest for a survey; errors introduced by the questionnaire design, such as misunderstanding the question, inadvertently missing questions, or phrasing questions that predispose a respondent to answer in a particular way; and data capture, processing and coding errors.

The ABS minimises the impact of non-sampling errors by use of better practice procedures in questionnaire design, interview procedures, data validation and repair, and processing. Any significant changes to questionnaire wording or data collection methods are carefully trialled and evaluated before they are implemented.

Sampling error

The relative standard error (RSE) is a measure of the sampling error associated with an estimate. The magnitude of standard errors varies between collections and between data items within a collection due to factors such as the responding sample size and the nature of the data item. The RSE is a useful indicator for comparing the accuracy of estimates between surveys. Table 12.1 presents a summary view of the estimated RSEs for key statistics from a number of major ABS surveys. Further detailed information is included with each ABS publication, as well as in the concepts, sources and methods publications released by the ABS.

Relative standard errors are affected by the size of the sample used, the sample design used for the survey, and by the underlying variability of the indicator in the population.

Sample size influences the level of accuracy that can be attained. For example, RSEs for estimates of Indigenous Australians will generally be higher than RSEs for estimates of all persons, as there are generally fewer Indigenous Australians contributing to the sample. This is shown in Table 12.1 below – the sample size for the estimate from the National Health Survey was 25,900 and the resulting RSE was 1.0%, while the sample size for the National Aboriginal and Torres Strait Islander Health Survey was 10,400 and the RSE was 3.0%.

ABS sample designs for business surveys use groups of similar businesses (strata) as the basis of sample selection to improve the efficiency of estimation. Information such as employment size or annual sales can be used in this grouping. Many indicators, such as annual turnover or value of building work done, are closely related to the variables used in stratification, allowing these indicators to be estimated with relatively high accuracy. Other variables, such as capital expenditure or job vacancies, are not as closely related, and so cannot be estimated with the same accuracy.

As well as differences between surveys, RSE can also change with time for any given survey. These changes may be due to changes in the way the survey is conducted, for example, changes in the sample size or the method of producing estimates, or may be due to changes in the population being studied, for example, a change in the prevalence of a particular characteristic.

An improvement was made in the accuracy of retail trade turnover for 2004–05 (to 0.8% from 0.9% in 2003–04) due to an improved sample design and estimation methodology even though the overall sample size was reduced. For more information, refer to *Information paper: Changes to the Retail Trade Series, July 2004* (cat. no. 8501.0.55.002).

The RSE for job vacancies is relatively large due to the underlying variability. That is, the number of job vacancies can vary considerably from business to business, and for any business it can vary considerably from month to month, and so a very large sample would be required to measure job vacancies with high precision. In the table below, the estimated RSE for job vacancies for 2004–05 of 5.5% represents a decrease from 6.8% for 2003–04. This was not due to an improvement in survey methodology, but rather due to an increase in the number of vacancies, which has made the error smaller in relative terms.

Table 12.1: Relative standard errors (RSE) for selected indicators (a)

Publication	Indicator	RSE (%)
Economic indicators		
<i>Retail Trade, Australia</i> (cat. no. 8501.0)	Total turnover for the retail industry, Australia	0.8
<i>Private New Capital Expenditure and Expected Expenditure, Australia</i> (cat. no. 5625.0)	Actual private new capital expenditure, Australia	1.4
<i>Business Indicators, Australia</i> (cat. no. 5676.0)	Company gross operating profit, Australia	1.9
<i>Building Activity, Australia</i> (cat. no. 8752.0)	Value of work done, Australia	0.6
<i>Average Weekly Earnings, Australia</i> (cat. no. 6302.0)	Full-time adult ordinary time earnings, Australia	0.7
<i>Job Vacancies, Australia</i> (cat. no. 6354.0)	Job vacancies, Australia	5.5
Social indicators		
<i>National Health Survey: Summary of Results</i> (cat. no. 4364.0)	Number of persons whose self assessed health status is excellent or very good	1.0
<i>National Aboriginal and Torres Strait Islander Health Survey</i> (cat. no. 4715.0)	Number of Indigenous Australians whose self assessed health status is excellent or very good	3.0
<i>Childcare</i> (cat. no. 6530.0) [Monthly Population Survey]	Number of children using childcare	1.6

(a) Relative standard errors are presented for surveys conducted in respect of the 2004–05 reference period

Revisions to data

One measurable component of statistical accuracy is revisions to data made after initial publication, resulting from additional information becoming available. Revisions are generally measured by their size and frequency over time.

Revisions are applied to statistical series to ensure that there is an appropriate balance between accuracy and timeliness in the release of statistics. Revisions could be avoided – but this would mean that either the release of statistics is substantially delayed, or that any inaccuracies subsequently discovered in released statistics are not corrected. The ABS aims to maximise the overall quality of the released statistics by releasing accurate statistics in a timely manner, while subsequently improving the accuracy through revisions as new data becomes available. It is also ABS policy to inform users of any significant revisions and, where appropriate, to revise past time series and advise users accordingly.

The tables below provide, for two key series, the mean revision and the mean absolute revision for the past six years. The mean revision shows the percentage difference between the first estimate published, and that estimate one year later, averaged over the four quarters for the year. The mean absolute revision shows the average absolute values of the mean revision.

Table 12.2 describes the revisions to quarterly gross domestic product (GDP). In particular, it shows the difference between the first estimate of GDP and that estimate one year later, in terms of the mean revision and the mean absolute revision expressed as percentage points. The figures continue to show that revisions to quarterly GDP in recent years remain relatively small (mean absolute revision). Zero mean revision figures indicate that the revisions to quarterly GDP over the year have been offsetting. Despite the revisions to quarterly GDP being quite small, efforts to further improve the estimates are ongoing.

Table 12.2: Revisions to gross domestic product, percentage change (a)

Reference year	Difference between first estimate and estimate one year later	
	Mean absolute revision (% points)	Mean revision (% points)
1999-2000	0.1	-
2000-01	0.2	-
2001-02	0.2	-
2002-03	0.1	-
2003-04	0.2	0.2
2004-05 (b)	0.1	-

(a) Seasonally adjusted chain volume measure

(b) Figures based on three quarters of GDP data

A decreasing trend in the mean absolute revisions to the quarterly current account transactions since 1999-2000 is shown in Table 12.3. The revisions to the current account deficit are expressed in percentage terms, rather than percentage points as is the case with the revisions to GDP.

Table 12.3: Revisions to quarterly current account transactions (a)

Reference year	Difference between first estimate and estimate one year later	
	Mean absolute revision (%)	Mean revision (%)
1999-2000	2.3	0.3
2000-01	3.4	-0.3
2001-02	2.8	-0.1
2002-03	1.8	-0.5
2003-04	1.2	0.3
2004-05 (b)	1.3	0.5

(a) Seasonally adjusted data

(b) Figures based on three quarters of the data

Timeliness

The timeliness of statistical information can be measured by the gap between the reference period (the period the data relates to) and the date of release of results. The ABS continues to adhere to pre-announced release dates and make improvements, where possible, to the timeliness achieved. Tables 12.4 and 12.5 presents information on the timeliness for ABS

monthly and quarterly tabular data for main economic indicator statistics, and other general releases. Table 12.6 reports on the timeliness of confidentialised unit record files (CURFs).

There has been little change to the timeliness of statistical tables in 2005-06, apart from the increase in average number of elapsed days for the release of other quarterly data. The increase is due to the re-issue of small area tourist accommodation data for March 2005 in October 2005. The re-issue affected eight separate products (small area tourist accommodation statistics for eight states and territories), and so contributed eight times to the average. The re-issue was planned as part of expanding the scope of the survey to include additional types of accommodation. The original release of March data reflected the old scope. In October 2005, data for the new scope was released for both March and June quarters. This approach was taken to ensure data quality. For more detail, refer to the description of scope in the explanatory notes of *Tourist Accommodation, Australia* (ABS cat. no. 8635.0).

Table 12.4: Time between end of reference period and release of tabular data (average number of elapsed days) (a)

Year of release	Main economic indicator tabular statistics		Other general tabular releases	
	Monthly	Quarterly	Monthly	Quarterly
2001-02	29	51	34	78
2002-03	28	49	33	74
2003-04	29	51	26	85
2004-05	29	51	25	75
2005-06	30	52	24	87

(a) Where a publication or spreadsheet has been reissued, the reissue date is used in the calculation of average.

Table 12.5: Time between end of reference period and release of tabular data for selected publications

Publication	Frequency	Average number of elapsed days (a)
<i>Retail Trade, Australia</i> (cat. no. 8501.0)	Monthly	33
<i>Building Approvals, Australia</i> (cat. no. 8731.0)	Monthly	33
<i>Labour Force, Australia</i> (cat. no. 6202.0)	Monthly	10
<i>Consumer Price Index, Australia</i> (cat. no. 6401.0)	Quarterly	25
<i>Australian National Accounts: National Income, Expenditure and Product</i> (cat. no. 5206.0)	Quarterly	66
<i>Australian Demographic Statistics</i> (cat. no. 3101.0)	Quarterly	166

(a) Average is taken over the most recent one year's worth of releases, as at 14 July 2006.

The timeliness of release of information depends on a number of factors, including the amount and complexity of information being collected, the source of the data (for example, whether directly collected or sourced from administrative records), and the amount of processing or validation of the information required before release.

Labour force statistics are released very quickly after the end of the reference month. Part of the explanation for this is that the data collection is completed before the end of the reference month. Interviews are generally conducted over a two week period commencing on the Monday between the 6th and 12th of each month. The information collected from each survey respondent is relatively small compared to other surveys conducted by the ABS, and an 'any responsible adult' methodology is used to allow one member of a household to respond on behalf of other household members, so that subsequent appointments with specific respondents can be avoided. In addition, Labour Force Survey processes have been enhanced and refined over time so they are now very efficient and a large collection is processed in a relatively short timeframe. This all helps in the very timely release of statistics.

Demographic statistics report on Australia's population, components of population growth, and distribution among states and territories. The quarterly changes to population statistics are based on a variety of administrative sources, such as registrations of births and deaths, and passenger cards completed at Australia's borders, and modelled estimates of interstate migration (using information from Medicare card registration address changes, delayed by three months as registration often takes place after the actual move). It takes around five months before estimates can be published due to the time needed to acquire and process the administrative data, particularly with the delay of three months for the Medicare card data.

The average number of elapsed days between the end of the reference period and the supply of confidentialised unit record file (CURF) data has improved significantly in recent years. Note that the information for the 2004-05 reference year only includes CURF data made available prior to 1 July 2006.

Table 12.6: Time between end of reference period and release of confidentialised unit record file (CURF)

Reference year	Number of CURFs released	Average number of elapsed days
2002-03	5	724
2003-04	2	548
2004-05 [a]	4	333

[a] As at 30 June 2006 – further microdata from the 2004-05 reference year are expected to be made available in the second half of 2006, which will increase the total number of 2004-05 CURFs released as well as increase the average number of elapsed days.

Accessibility

The accessibility of statistical information refers to the ease with which it can be referenced. This includes the ease with which the existence of information can be ascertained, as well as the suitability of the form or medium through which the information can be accessed. The cost of the information may also be an aspect of accessibility for some users.

All statistics on the ABS web site can now be accessed free of charge. The new policy was announced by the Treasurer, The Hon. Peter Costello MP as an ABS centenary tribute to the people of Australia in December 2005. The change means that all publications, spreadsheets and census data on the ABS web site are now available free to any member of the public with Internet access. However, people who require their own paper copies of ABS

publications, information on CD-ROM, or information more detailed than that published, will be charged under the ABS pricing policy.

Confidentialised unit record files (CURFs) are a product that allow approved researchers with a valid statistical purpose to access individual survey responses. The data files are confidentialised and access is carefully controlled to ensure that no individual or organisation can be identified. The price of CURF access has been reduced from 1 July 2006 to \$1,320 per application in order to improve the accessibility of this information. The ABS has also worked to improve the accessibility of CURFs, including through the ABS Remote Access Data Laboratory™ (RADL™). For more information see chapter 13.

Critical evaluation of the ABS web site

In February 2006, the ABS went live with its new look web site, featuring improved search and navigation functions. MP Marketing Partners, who had recently completed a critical evaluation of 1750 government sites from 204 countries, were commissioned to evaluate the ABS web site. Objectives were to compare the new ABS site to the old site as well as benchmark it against other government sites, including those of other government statistical agencies.

Criteria

To evaluate the ABS site against other government web sites, a set of criteria developed by the ProfNet Institute in Germany was employed. 146 criteria, grouped under the headings of layout, handling, content and interactivity, measured the sites in terms of 'customer friendliness'. A total of 100 points was achievable.

To further enhance the study, MP Marketing Partners customised a new set of criteria, taking into consideration requirements that are unique to users of statistical sites. These included presentation of data and search capabilities.

ABS web site – new versus old

Findings suggested that the new site is a significant improvement over the old site (Table 12.7).

Table 12.7: Comparison of old and new ABS website

Website	Layout	Handling	Content	Interactivity	Total
New	11.0	16.5	26.5	10.0	64.0
Old	9.0	12.5	23.5	7.5	52.5
Difference	+ 2.0	+ 4.0	+ 3.0	+ 2.5	+11.5

Interpretability

The interpretability of statistical information reflects the availability of the supplementary information and metadata necessary to interpret and utilise it appropriately. This information normally covers the availability and clarity of metadata, including concepts, classifications and measures of accuracy. In addition, interpretability includes the appropriate presentation of data such that it aids in the correct interpretation of the data.

ABS releases are accompanied by extensive explanatory notes to aid the interpretation of statistical information. There is also a range of material available on the ABS web site detailing the methods, classifications, concepts and standards used by the ABS. During 2005-06, the *Australian Consumer Price Index: Concepts, Sources and Methods, 2005* (cat. no. 6461.0) was released for the first time and *Labour Statistics: Concepts, Sources and Methods, 2006* (cat. no. 6102.0.55.001) was updated.

The ABS is currently working to improve the metadata available for ABS collections. For more information see chapter 15.

Coherence

The coherence of statistical information reflects the degree to which it can be successfully brought together with other statistical information within a broad analytic framework and over time. Coherence encompasses the internal consistency of a collection as well as its comparability both over time and with other data sources. The use of standard concepts, classifications and target populations promotes coherence, as does the use of common methodology across surveys.

Coherence of ABS output requires the use of nationally and internationally agreed concepts and classifications. Standard concepts and classifications are not only used extensively within the ABS, but also promoted to other producers of statistical information within Australia. Information on statistical standards, concepts, classifications and methodologies are readily accessible through the ABS web site. For more information refer to the chapter 15.

The Statistical Clearing House (SCH) provides approval to conduct surveys that are directed to 50 or more businesses and that are conducted by or on behalf of any Australian Government agency, to ensure that surveys are necessary, well designed and place minimum burden on business respondents. One of the criteria used by the SCH is the coherence of the statistical information that will be produced. In particular, surveys are assessed on their use of standard methodologies, concepts and classifications, their consistency with past or future surveys, and the extent to which outputs can be compared or jointly used with other sources of data. For more information about the SCH see chapter 11.

Any changes that may impact on the coherence of ABS statistics are detailed in the explanatory notes that accompany each release. Significant changes may lead to series breaks in time series, or adjustments to past data. An example of a series break is the trend adjustment made in the release of *Balance of Payments and International Investment Position, Australia, June quarter 2005* (cat. no. 5302.0) to account for significant increases in the prices of coal and iron ore export commodities during this quarter.

Chapter 13

Dissemination of statistics

Introduction

Over the last twelve months, the ABS has continued to make the outputs of statistical activities available through numerous channels to encourage informed decision making, research and discussion. Results of surveys are available through publications, spreadsheets, confidentialised unit record files and in other forms. Outputs can be accessed through the ABS website, and hard copy publications are available for some releases.

In disseminating statistics, the ABS aims to ensure that the methods used underpin the ABS value of independence and impartiality by ensuring that all potential users have equal opportunity in access to ABS statistics. To achieve this, products are assigned release dates and times which are publicised in the ABS Release Advice (and elsewhere as appropriate). Products and the information they contain are embargoed until release.

The ABS also seeks to ensure that the processes used to compile statistics are open and transparent, and the users of statistics have access to all the information that they need to be able to interpret the statistics accurately. As such, information about the methods used in producing statistics is provided through statistical publications (often referred to as the manual of concepts, sources and methods) and information papers. Ongoing ABS research is often published in professional papers (a full list of those presented in 2005–06 is included in an online appendix). More and more, ABS data is being presented with its attendant metadata that helps clients interpret and assess its 'fitness for use'.

The following sections cover some methods of accessing ABS statistics, new releases in 2005–06, and uses of ABS statistics. Further information on ABS dissemination can be found in chapter 6.

Accessing ABS statistics

ABS web site

The ABS web site remains the primary access point for the majority of users of ABS information, with site users accessing ABS web pages 78 million times in 2005–06. This was an increase of 29% on 2004–05 and it is substantially due to the change in ABS pricing policy, which now provides free access to all statistics on this web site.

In 2005–06 there has been a continued increase in content on the ABS web site, bringing the site to approximately 365,000 pages. At the same time the site has had improvements, including:

- restructuring those parts of the site delivering statistical products to help clients to find the information they seek, and
- upgrading the web site search facility through implementation of Google to improve reliability and relevance of search results.

This now allows users of the ABS web site to enjoy much improved access to ABS data.

Promotion of releases

There were promotions of ABS products and capability in 2005–06. Promotion focused on increasing the use of key releases, such as the publications Year Book Australia, Measures of Australia's Progress and Australian Social Trends, as well as continued promotion of the wider range of ABS products and services.

The 2006 edition of Year Book Australia was launched by the Hon Mr Chris Pearce, MP, Parliamentary Secretary to the Treasurer, on 20 January 2006 at ABS House. The 2006 edition had a major theme of Australia's deserts, marking the declaration by the General Assembly of the United Nations of 2006 as the International Year of Deserts and Desertification. The ABS invited four authors who are experts in their area of interest to contribute to the feature article, Australia's deserts, in this edition. The article addresses three related aspects of Australia's deserts – climate; archaeology and environmental history; and flora and fauna. The Australian Centre for International Agricultural Research also contributed an article, outlining the role the Australian Government is playing in assisting countries combat desertification.



Deputy Australian Statisticians Peter Harper, Jonathan Palmer and Susan Linacre with Ross Bennett from the Australian Reptile Centre at the desert themed launch of 2006 Year Book Australia.

Statistics for Schools

There has been continuing work with schools to increase the use of ABS data and to improve the statistical literacy of students. To coincide with the 2006 Census of Population and Housing, the ABS is running CensusAtSchool – a voluntary Internet based education project where students respond to questions of interest about themselves by completing the CensusAtSchool online questionnaire. There has been a good response to the initiative with 2,746 schools registered to participate and 112,173 students responding to the questionnaire.

Teachers and students can access the aggregate results for use with the supporting activities across the curriculum.

Improving Access to Confidentialised Unit Record Files

The ABS produces publications of results from its surveys but a lot of value from the data comes from research using the microdata. This research is generally conducted by non-ABS researchers and research organisations using microdata released as Confidentialised Unit Records (CURFs).

During 2005–06, the ABS has continued to release CURFs. This includes both basic files on CD-ROM and expanded files available through the Remote Access Data Laboratory (RADL™). The ABS now has 73 CURFs available for a range of surveys, including 17 expanded CURFs.

Clients are increasingly migrating to RADL™ to access the expanded CURFs. Clients have responded positively to the ABS CURF Annual Renewal Program that provides valuable feedback to the ABS on the use of CURF data and enables the ABS to centralise management of CURFs for clients. There are now 994 registered clients from 80 organisations.

The RADL™ has continued to develop. This year there have been significant improvements in software access with the introduction of Stata, plus enhanced system usability. Feedback from clients is mostly positive and most analyses are returned to clients from RADL™ within a few minutes. Their preference, however, would be to operate in interactive mode.

The ABS has also implemented an ABS Site Data Laboratory (ABSDL) system: a secure room or area on ABS premises, available on a national basis, which enables access to more sensitive data and analysis of expanded CURFs in an interactive environment using SAS, Stata or SPSS. Any output removed by clients of ABSDL is vetted to ensure respondents cannot be identified.

The ABS publishes a list of research undertaken using CURFs on the ABS web site.

Client Services Charter

The ABS has a Client Services Charter, which describes the relationship between the ABS and users of its products and service. The Charter also offers guidance to clients wishing to provide compliments or register complaints on any aspect of client relationship or services. Copies of the Charter are available on the ABS web site and from the offices of the ABS.

The ABS also has charters for respondents in Business Surveys and the Household Surveys. Information on these can be found in the chapter on provider/respondent relationships.

All of these charters include performance standards for the relationships between the ABS and its clients, and its service delivery. Performance against these standards is the subject of ongoing review, as are the Charters themselves.

New releases in 2005–06

The ABS is always seeking to expand and improve the range of statistics released from its collections. The ABS has continued to expand the range of data available through spreadsheets and datacubes, and to convert spreadsheet releases to the more common format, which is Excel.

As noted earlier, there are now about 365,000 pages on the ABS website, compared to 285,000 in 2004–05, indicating a substantial increase in the amount of information available [at no cost]. The number of releases also increased, from 733 in 2004–05 to 781 in 2005–06, with 126 of these releases being new releases.

Table 13.1: ABS releases (a) classified by subject matter, year and frequency (number)

Subject Matter/Year	Annual	Quarterly	Monthly	Other	Total
<i>Economic and finance releases</i>					
2002-03	23	58	86	3	170
2003-04	9	40	61	11	121
2004-05	11	33	47	5	96
2005-06	12	33	73	13	131
<i>Industry releases</i>					
2002-03	17	123	75	20	235
2003-04	15	91	70	27	203
2004-05	26	78	63	28	195
2005-06	19	84	48	24	175
<i>Population and migration releases</i>					
2002-03	46	4	18	99	167
2003-04	35	4	18	56	113
2004-05	36	3	24	14	77
2005-06	38	4	24	8	74
<i>Labour releases</i>					
2002-03	9	42	69	12	132
2003-04	6	41	52	12	111
2004-05	6	50	36	33	125
2005-06	9	57	36	40	142
<i>Social analysis releases</i>					
2002-03	14	4	-	27	45
2003-04	13	4	-	64	81
2004-05	14	3	-	44	61
2005-06	16	4	0	43	63
<i>Other general releases</i>					
2002-03	31	24	42	15	112
2003-04	34	19	36	9	98
2004-05	30	16	(b)118	15	179
2005-06	39	34	116	7	196
<i>Total</i>					
2002-03	140	255	290	176	861
2003-04	112	199	237	179	727
2004-05	123	183	288	139	733
2005-06	133	298	215	135	781

(a) Includes catalogued publications and other products, but excludes reprints and corrigenda.

(b) Catalogue numbers assigned to the Reserve Bank of Australia spreadsheets.

Some examples of new releases in 2005–06 include:

- annual statistics from the Labour Force Survey on the labour force characteristics of Indigenous Australians – these are intended to meet a user identified need for more regular information than provided by the three-yearly Indigenous surveys (cat. no. 6287.0)
- biotechnology statistics, included as part of *Research and Experimental Development, Businesses, Australia, 2003–04* (cat. no. 8104.0) – this publication provides new information on an area of growing interest
- experimental statistics on cases finalised in Children's Criminal Courts, included in *Criminal Courts, Australia, 2004–05* (cat. No. 4513.0) – these provide useful information on this part of the Criminal Court system
- new products as part of the range of Trade in Services data, to cover trade in services data by country, state and in extended detail (cat. no. 5368.0)
- extended information on labour force participation, an issue of current interest, in the new survey of *Barriers and Incentives to Labour Force Participation* (cat. no. 6239.0)
- extended information from the Survey of Tourist Accommodation, with the scope of the survey expanded to include hotels, motels and serviced apartments with 5–14 rooms, visitor hostels, caravan parks and holiday flats and units (cat. no 8635.0)
- the first official satellite account on information and communication technology (ICT) for Australia measuring the contribution of ICT to the Australian economy in 2002–03 including the contribution of ICT to key macro-economic variables such as gross domestic product (cat. no. 8126.0)
- *Norfolk Island Business Statistics 2004–05* (cat no. 8139.0), which include assessment of the size of the business sector on Norfolk Island and will contribute to any decisions made about the future governance arrangements on Norfolk Island.

There were also a range of new releases produced by the ABS regional offices including:

- Additional datasets included in *State and Regional Indicators* (cat. no. 1367.2), Victoria, which is a quarterly compendium publication containing a range of ABS and non-ABS data. The new datasets added during the last year were – engineering construction activity, satisfaction with quality of mains/town water, and life expectancy at birth by local government area
- *Baby Boomers in Queensland* (cat. no. 4149.3), which is a compendium electronic publication presenting a wide range of social and economic ABS and non-ABS data. It was a collaborative effort between the ABS and the Queensland Office of Economic and Statistical Research (OESR).
- *Statistics – Tasmania* (cat. no. 1384.6) and *Regional Statistics – Tasmania* (cat. no. 1362.6) – these releases increased the profile, timeliness and use of administrative data collected from more than 230 administrative dataset in Tasmania.

National Regional Profile

The National Regional Profile (NRP) is a web-based product containing a range of data from the ABS and other organisations at regional level and is produced as a time-series. Users are able to search for data by either location name or map.

The 2006 release of the National Regional Profile (NRP) expands the functionality of the NRP for users. For those wishing to quickly view broad data for a region, there are summary pages available. More detailed data is available in an Excel spreadsheet (as in the previous version), as well as in a Supertable data cube, allowing users to customize the format of the data.

There has also been an expansion in the number of data items and the level of disaggregation of the data available. For example, the Estimated Resident Population figures published have been expanded from 4 broad age categories to include 5 year age groups broken down by sex. This expands the potential range of users and allows them to use the data for a finer level of analysis.

In addition, a range of state specific data items have been included in each profile. For example, in addition to the nationally comparable data items, profiles in New South Wales will include data on road traffic accidents from the Road Traffic Authority of NSW. This also expands the potential range of users, provides easily accessible web-based state data that was previously available only through non-web sources, and provides a richer picture of regions.

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Use of ABS statistics

Statistics produced by the ABS are widely used to support decision making and research. A few general examples of how ABS statistics are used include:

- information from the National Accounts, providing information about the level of economic activity, is used to formulate and assess government macro-economic policies, assist in allocating Australian Government funds to state and territory governments and formulate industry development policies
- statistics on the health status of the population support the policy development, program delivery and evaluation of key government and non-government agencies involved in health, community and family services
- population estimates are used extensively for electoral and funding purposes
- the CPI is used in monetary policy.

Some, more specific, examples of the uses of ABS statistics in 2005–06 are:

- the Backing Australia's Ability policy initiative by the Australian Government used, for the first time, ABS innovation data from the 2003 survey to supplement the ABS research and development data
- the Department of Foreign Affairs and Trade has been using ABS services data to monitor the free trade agreement with the United States of America
- governments, for relief planning purposes, used ABS statistics from the 2000–01 Agricultural Census in the days following Cyclone Larry to provide detail on the number of farming businesses in the region as well as the value of agricultural production

- the Bureau of Transport and Regional Economics use Survey of Motor Vehicle Usage (SMVU) outputs data and other ABS data as the basis of their Modelling of Road Freight Measurement for Australia (note that SMVU is the principal source for understanding the growth in the freight task over time)
- data from the Survey of Income and Housing are widely used in micro simulation modelling to understand the distributional impacts of policy across different types of families or different geographical regions, while also allowing estimates of aggregate outcomes to be derived.

The extent of the use of ABS statistics is evidenced by the number of accesses through ABS dissemination services (shown in Graph 13.1 and Table 13.2) and the extensive references to ABS statistics in the media (shown in Table 13.3).

The ABS provides a National Information and Referral Service (NIRS) to answer queries from the public about ABS statistics. As shown in Graph 13.1, the number of calls and emails to NIRS decreased in 2005–06 compared to previous years. However, the number of pages viewed on the ABS web site increased, indicating that people are finding information on the web site and are less likely to need the assistance of NIRS. As mentioned earlier, the increase in the number of web pages viewed is also likely to be related to the change to make all statistics on the web site free.

Graph 13.1: Emails and phone calls to NIRS and pages viewed on the ABS web site

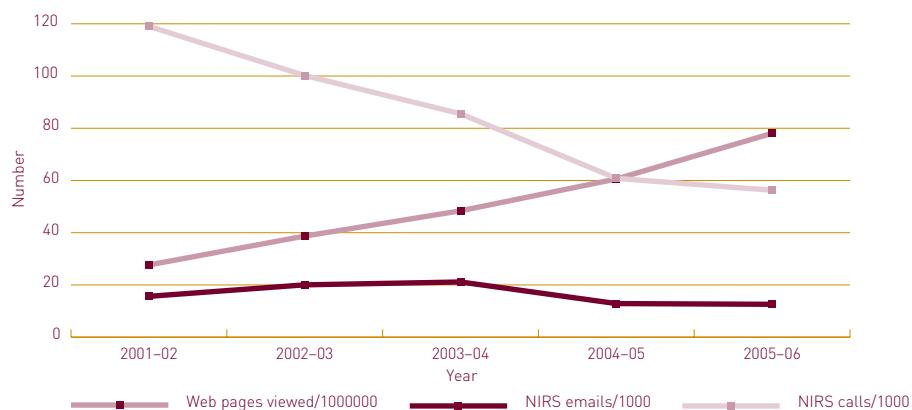


Table 13.2 below provides additional information on the ways that people access ABS dissemination services.

Table 13.2: Number of accesses, by type of access, 2002-03 to 2005-06

Type of Access	2002-03	2003-04	2004-05	2005-06
<i>Web site</i>				
Pages viewed	38,712,367	48,383,816	60,573,254	78,054,933
Pages published	66,732	13,861	16,668	23,015
Products downloaded	655,782	948,956	962,872	1,868,280
<i>National Information and Referral Service</i>				
Emails	20,036	21,136	12,862	12,588
Calls completed	100,197	85,556	60,820	56,257
<i>Dial-a-statistic-1900</i>				
Calls	7,853	6,354	5,444	2,615
<i>CPI infoline</i>				
Calls	8,363	7,982	7,035	5,447
<i>Library Extension Program</i>				
Libraries	515	519	518	518
<i>Secondary providers</i>				
Number	[a]107	[b]140	[b]132	[b]172
<i>Remote Access Data Laboratory [c]</i>				
Organisations active on RADL	10	33	34	39
Individuals active on RADL	29	85	93	107
Statistical programs executed	975	6,274	7,535	8,998

[a] Includes 38 secondary distributors who include ABS data on their non-charging web sites.

[b] Includes 54 secondary distributors who include ABS data on their non-charging web sites.

[c] Service commenced in 2002-03.

The level of media reporting over recent years, by medium, is shown in Table 13.3. Reporting on the ABS and its statistics in the media has increased throughout the year. The significant rise on the previous year reflects ongoing reporting of economic and social data releases, and work on public awareness campaigns relating to both the 2006 Census of Population and Housing and the 2005-06 Agricultural Census. The increased reporting may also be an effect of the increased availability of statistics to all media with the advent of free statistics on the ABS web site.

Table 13.3: Media reporting, by placement

Year	Radio, television and Internet news placements	Newspaper and magazine placements	News releases issued
2001–02	7,088	11,138	156
2002–03	6,774	13,580	168
2003–04	12,642	[a] 10,431	193
2004–05	10,157	10,103	133
2005–06	18,315	15,692	169

[a] The ABS engaged a new media monitoring service for newspaper and magazine placements in 2003–04. As a result, the information for 2003–04 is not directly comparable with earlier years.

Chapter 14

Extended analysis of statistics

Introduction

There is a wealth of information in the statistics released by the ABS, and the ABS seeks to ensure that users can benefit from this information as fully as possible. The ABS releases data through standard products (from publications to confidentialised unit record files), as described in the previous chapter, and also produces customised data tables on a consultancy basis. However, these outputs do not meet all user needs, or use the full potential of the data. Thus, the ABS looks to add value to its statistics and extend the range of statistical outputs produced in a number of ways. These include:

- production of analytical and compendium publications such as Australian Economic Indicators (AEI), Measures of Australia's Progress (MAP) and Australian Social Trends (AST)
- research and development into the production of complex statistical measures such as human capital, socio-economic indices and seasonal or calendar adjustment
- bringing data together to produce modelled, synthesised or enhanced statistics, and
- exploring relationships in statistics to ensure the quality of ABS outputs and understand the movements and trends in various series.

In addition, in the past year, the ABS entered into a range of trial collaborations with organisations involving more detailed analysis on unit record data from business surveys.

ABS releases

The ABS produces a number of analytical reports that inform the government and the community of social and economic conditions and progress in Australia. Flagship publications released during 2005–06 include:

- *Measures of Australia's Progress, 2006* (cat. no. 1370.0), released in May 2006
- *Australian Economic Indicators* (cat. no. 1350.0), published monthly and
- *Australian Social Trends, 2005* (cat. no. 4102.0), released in July 2005

Social and economic reports draw together data and analysis from within the ABS and from a range of other sources. The reports include analysis of current circumstances, changes to circumstances over time, ways that different groups of people have been affected, and the various factors that may have accounted for observed trends. As well, the analyses explore the interrelationships between economic, social and environmental aspects of life.

Measures of Australia's Progress (cat. no. 1370.0)

Measures of Australia's Progress (MAP) is a biennial publication which draws together ABS and other data to paint a picture of national progress over the last decade. It is designed to provide the statistical evidence to allow users – those who formulate and evaluate policy, researchers and the community – to determine whether life in Australia is getting better.

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MAP presents a suite of indicators covering many of the areas of life most important to Australia and Australians. Indicators and commentary are presented for the headline dimensions: health; education and training; work; national income; economic hardship; national wealth; housing; productivity; the natural landscape; the air and atmosphere; oceans and estuaries; family, community and social cohesion; crime; and democracy, governance and citizenship.

In addition to these headline dimensions, there is commentary on the supplementary dimensions of: culture and leisure; competitiveness and openness; inflation; communication; and transport. MAP 2006 also includes an article on life satisfaction and measures of progress, plus an article comparing Australia's progress with that in other OECD countries.

Australian Economic Indicators (cat. no. 1350.0)

This is a monthly compendium of key national, state and international economic time series. It also contains feature articles and provides a quarterly review of the economy. In 2005-06, articles published in *Australian Economic Indicators* (AEI) included:

- Foreign Ownership of Equity
- Recent Taxation Revenue Trends in Australia
- A Statistical Overview of Tourism
- The International Comparison Program and Purchasing Power Parities
- Analytical Living Cost Indexes for Selected Australian Household Types
- Household Water Use and Effects of the Drought
- Automotive Fuel in the Consumer Price Index

The article on 'Recent Taxation Revenue Trends in Australia' presented experimental measures of taxation revenue taking into account the level of government at which the revenue is used, as well as an experimental measure of the total revenue available to governments after direct and indirect transfers to households.

This monthly flagship publication was first released in 1991. AEI has been in its current format for almost 10 years and a review has recently been completed to assess the format, content and distribution, of a new look AEI which takes account of users' preferences, technology advances and the general trend in statistical offices for fewer, smaller and more streamlined hard copy publications. As a consequence of this review, the publication is to move to a web based product with tables automatically updated as data becomes available. AEI feature articles will be released in a web magazine.

Australian Social Trends (cat. no. 4102.0)

Australian Social Trends (AST) is an annual publication containing articles on contemporary social issues and a range of social indicators that present an overview of some key social trends in the various areas of social concern (such as health, work, and family and community). AST brings together information across a range of areas to address complex social issues. Articles released in the 2005 issue included the following:

- People in their 20s: Then and now
- Grandparents raising their grandchildren

- Social circumstances of Aboriginal and Torres Strait Islander peoples
- Children's accidents and injuries
- Young people at risk in the transition from education to work
- Casual employees
- Female/male earnings
- Housing for older Australians.

Other articles released in regular publications

There were a number of articles released as part of regular publications, generally highlighting changes that may have an impact on the series. In April 2006, an article 'Australian Exporters, 2005', in *International Trade in Goods and Services, Australia* (cat. no. 5368.0) addressed the compilation of counts of the number of exporters.

Other publications with articles were:

- *Australian Labour Market Statistics* (cat. no. 6105.0), including articles on ABS measures of employee remuneration, job starters, full-time and part-time participation, long-term unemployment, and labour outcomes of migrants
- *Australian National Accounts: National Income, Expenditure and Product* (cat. no. 5206.0), including articles on productivity measurement concepts and issues, and the relationship between GDP and employment growth.

Other analytical work in 2005–06

Small area estimation

In response to growing demand for small area data among decision makers, the ABS has released a manual to provide a guide to the production, use, quality and validation of small area estimates. This is directed towards practitioners and users of small area data. It is particularly intended to assist in deciding when more complex models justify the extra resources and expertise needed, and when simpler models may be more appropriate.

Perspectives on Regional Australia

During 2005–06, the ABS released a statistical series on regional Australia focussing on issues such as household expenditure, income and wage and salary earners.

Fertility in NSW

A special article on fertility in NSW was included with the final release of *Demography NSW* (cat. no. 3311.1.55.001). This article focused on state and sub-state fertility patterns, introducing readers to the definitions of fertility indicators and the availability of fertility data in NSW small areas.

State and regional indicators, Victoria

The quarterly publication, *State and Regional Indicators, Victoria* (cat. no. 1367.2), contains feature articles which aim to inform and add value to the statistics available for particular topics. Articles produced over the last financial year covered the Victorian population (1836–

2005], senior Victorians, Victorian community indicators, and the importance of Indigenous Australian identification in vital statistics.

Use of information technology by households in Queensland

A publication, *1998-2003 Use of information Technology by Households in Queensland* (cat. no. 8146.3), was released in May 2006. This publication consolidated, analysed and disseminated different ABS datasets to produce a report on the uptake of computers, Internet and innovative goods in Queensland households during this period.

Local government price index, South Australia

The South Australian office of the ABS designed a Local Government Price Index (LGPI) for the Local Government Association of South Australia. The LGPI is designed to be a measure of the effect of inflation on prices of goods and services purchased by councils. The LGPI will assist South Australian councils in setting their council rates.

ABS analytical consultancies

The ABS undertakes analytical consultancies for a range of clients to provide additional information based on ABS statistics. In 2005–06, these included:

- modelling small area estimates from the 2003 Survey of Disability, Ageing and Carers for disability administrators
- a multivariate analysis of General Social Survey data examined barriers and motivators to children's participation in sport, an important area of current policy interest, which allowed sport participation to be examined together with sedentary activities such as television watching and playing computer games, as competing for children's time (published in *Year Book Australia, 2006* cat. no. 1301.0).
- an analysis of ABS Building Approvals data, land valuer-generals data from the South Australia Department of Administrative and Information Services (DAIS) and environmental information from the South Australian Department of Environment and Heritage (DEH) to see whether any new construction is encroaching on environmentally pristine areas. This analysis will benefit a range of stakeholders in the South Australian Government, including DAIS, DEH and Planning SA.

Collaborations

ABS looks to enhance the value of the data held and better respond to client needs. A key part of this is to make better use of existing data holdings as well as to tap specialist skills of researchers in other government agencies and academia to assist with the ABS work program. This has happened in the past with projects such as the Australian Census Analytical Program, established for the 2001 Census, and in the work of the Analytical Services Branch with experts in universities.

In 2005, the ABS undertook five trial collaborative projects to explore the scope for engaging researchers to assist the ABS conduct research and analysis of business survey microdata. These operated under strict legislative provisions of the *Census and Statistics Act 1905*, which requires that such collaborations are supporting the ABS in its statistical activities. For more information about these projects, see chapter 4 on economic statistics.

A review of these trial projects found that there were benefits to both the ABS and the project partners, and there was strong support (from within the ABS and from partners) that such collaborations should continue. However, the review also found there were considerable costs to the ABS, largely ABS staff time, and ABS capacity to undertake such projects would be limited. The ABS will need to further develop and implement policies and procedures, and closely assess the benefits of potential projects, which must be of benefit to the national statistical service consistent with the statistical functions of the ABS, or make a contribution to ABS methodology. Project partners will be required to enter into up-front agreements and may be required to contribute to costs.

The ABS plans to put a statement about collaborations on the ABS web site later in the year, and, following this, proposals from potential partners will be considered.

Chapter 15

Statistical standards and infrastructure

Introduction

A key function of the ABS is to ensure appropriate use of statistical standards, frameworks and methodologies. This is specified as part of the ABS' role in the *Australian Bureau of Statistics Act 1975*.

The development and use of statistical standards and infrastructure underpin statistical work in the ABS. The use of a comprehensive set of robust statistical standards is essential to provide an integrated and meaningful statistical picture of society and the economy. It makes it possible to draw all the data about a particular topic or population together in a significant way from the full range of statistical data sources.

There are various aspects of statistical standards and infrastructure needed for the effective collection and release of data, including:

- classification schemes that categorise data element concepts (for example, industry, occupation)
- definitions of the concepts underpinning data elements (for example, dependency, usual residence)
- definitions of statistical units (for example, business, family, income unit)
- tools to enable coding of data to standard classifications, and
- metadata repositories to store the information about data.

The ABS develops national statistical standards, frameworks and methodologies, which are applied, as appropriate, to all ABS statistical collections, including business and household surveys. The ABS takes a leading role to encourage other Australian, state and territory government agencies to adopt these standards, frameworks and methodologies in their statistical activities. Extensive information about ABS standards is available on the ABS web site (see Methods, Classifications, Concepts and Standards).

The ABS also works closely with other agencies involved in the development of standards and frameworks, for example, minimum data sets for administrative collections are used jointly in publications with the Australian Institute of Health and Welfare.

The national statistical standards, frameworks and methodologies align with international equivalents, and the ABS assists in the development of many key international statistical standards, frameworks and methodologies. For more information on the ABS involvement in international standards development, see chapter 16.

Standards for industry and occupation

In 2005–06, a key focus was revision of the standard classifications for industry and occupation. These revisions were in line with revisions to international standards, and were completed in time to be used in coding of the 2006 Census of Population and Housing. The revisions of both classifications were done as joint projects with Statistics New Zealand (Statistics NZ), and also involved a number of stakeholders within Australia.

- The *Australian and New Zealand Standard Industrial Classification 2006 (ANZSIC 2006)* (cat. no. 1292.0) was released on 28 February 2006, along with a number of support tools including a search facility on the ABS Web site. More information about this classification is available in chapter 4 and in the special article on ANZSIC in chapter 7.
- The *Australian and New Zealand Standard Classification of Occupations 2005* (cat. no. 1220.0) is scheduled for release in September 2006. More information about ANZSCO is available in chapter 5 and in the *Information paper: ANZSCO – Australian and New Zealand Standard Classification of Occupations 2005* (cat. no. 1221.0), released online in September 2005.

Other updates to standards

In 2005–06, a number of other projects updating standards were completed, in time for their use in the 2006 Census of Population and Housing. These included:

- loading of the revised suite of Standards for Statistics on the Family, Household and Income Unit to the ABS web site in July 2005, replacing Standards for Statistics on the Family
- release of the second edition of *Australian Standard Classification of Cultural and Ethnic Groups (ASCCEG)* (cat. no. 1249.0) in July 2005
- release of the second edition of *Australian Standard Classification of Religious Groups (ASCRG)* (cat. no. 1266.0) in December 2005
- release of the second edition of *Australian Standard Classification of Languages (ASCL)* (cat. no. 1267.0) in July 2005.

Along with the release of the publication for each of the three revised classifications, the ABS also released sets of coding indexes, and tables linking the new editions to the first editions.

Metadata

Metadata is information used to find data, to assist a user to understand that data (ie definitions and descriptions), or to guide a user in the appropriate use of that data (quality). Currently, much of the metadata for ABS collections is stored in local facilities (ie associated with the collection), and is sometimes difficult to reuse between processes, or as a corporate resource across collections. In recent years, the ABS has developed an end-to-end (E2E) Metadata Management Strategy to establish a metadata environment that:

- supports ABS statistical business objectives
- enables better dissemination outcomes
- is efficient, effective and user-friendly
- promotes accountability over the life-cycle of metadata, and
- provides a metadata resource as an information system in its own right.

This strategy will have considerable benefits for users of ABS statistics, making it easier for them to find, understand and use ABS statistics effectively. It will also align the ABS metadata environment with the associated international standards for metadata, such as the standard for data element definitions (ISO/IEC-11179).

Within the ABS, good progress has been made in relation to the implementation of the E2E Metadata Management Strategy. In 2005–06:

- the Economic Standards area completed registration of definitional metadata for a number of collections in preparation for migration to the Input Data Warehouse (IDW). The IDW is a managed unit record data store that aims to service collection activities (including editing), analysis, research and management needs between initial data capture until movement of data to the managed output data store
- the Integrated System for Household Surveys project team completed the design of the Questionnaire Development Tool, which will interface to the ABS Corporate Metadata Repository for creating and re-using data element definitions, and this tool is now being built.

Geography

The Australian Standard Geographic Classification describes the geographic infrastructure (data, systems, standards and products) necessary to collect and disseminate statistics that have a spatial component.

During 2005–06, the Geography area of the ABS produced the 2006 edition of the *Australian Standard Geographic Classification (ASGC)* [cat. no. 1216.0], which will be used for the 2006 Census of Population and Housing and by a range of clients that need to relate their information to standard geography. The Geography area also coordinated the design of approximately 39,000 collector districts and produced approximately 100,000 maps to be used for the 2006 Census.

The Northern Territory office of the ABS provided advice and assistance to the Department of the Chief Minister on the Northern Territory Government project to adopt standardised regional and sub-regional statistical reporting boundaries for the Northern Territory, ensuring alignment with Northern Territory Statistical Subdivisions and Statistical Local Areas for the 2006 Australian Standard Geographical Classification.



Staff from the ABS SA office reviewing maps for the 2006 Census of Population and Housing dress rehearsals held in August 2005.

Mesh blocks

The ABS has developed a new geographical unit known as mesh blocks, which will be much smaller than the current smallest spatial unit – the collection district. It is estimated Australia will be divided into around 294,000 mesh blocks compared to 39,000 collection districts.

In September 2005, the ABS released *Information paper: Draft Mesh Blocks 2005* (cat. no.1209.0.55.001), together with geographic information system (GIS) data for the whole of Australia, seeking views from interested parties on the draft mesh blocks. These views will be taken into account in finalising the design of mesh blocks for the 2006 Census.

Currently there is a wide range of geographic units in use in Australia, and many organisations have adopted their own geographical units to suit their needs, often without reference to units that are used by others. As a result, data cannot be readily integrated and compared between organisations. The development of mesh blocks will help address this problem, as they will be able to be aggregated to any geographical region. It is planned that mesh blocks will become the basic building block for all statistical, political and administrative regions in Australia, resulting in more accurate demographic analysis, which in turn will lead to improved government policy formulation and service delivery.

A facility has been developed to assign a statistical local area, collection district or mesh block code to an address or a list of addresses. This service will be available to external users who register with the National Data Network, in the second half of 2006, and it will enable them to allocate mesh block codes for their own datasets. The ABS is also looking at other ways to make the facility available more widely.

While the purpose of mesh blocks will be primarily as building blocks for more aggregated geographical units, some data may be output on a mesh block basis. However, their small size means that the detail of data available at mesh block level will be limited to ensure that confidentiality is protected. Basic demographic data from the 2006 Census, however, will be available at that level.

Chapter 16

International engagement

Introduction

One of the functions included in the *Australian Bureau of Statistics Act 1975* is for the ABS to 'provide liaison between Australia, on the one hand, and other countries and international organisations, on the other hand, in relation to statistical matters'.

The ABS continued its valued role during 2005–06 in the international statistical community through an active contribution to the international statistical activities that are important to Australia and our region, including:

- active and often high level membership of the international statistical community (including influencing the development of international statistical standards and indicators)
- targeted and tailored technical assistance to national statistical agencies in the Asia-Pacific region.

Involvement in the international statistical community

The ABS' involvement in the international statistical community takes a number of forms, including participating in international meetings, visiting the statistical offices of other national statistical organisations and international intergovernmental organisations, and hosting visits from staff in these organisations. This involvement provides fruitful interchange with counterparts in statistical and international organisations. In many cases, these discussions related to the development of international standards, frameworks and methodologies (see below for examples of these).

The ABS participated in a number of important international meetings and conferences in 2005–06, which included the:

- 37th Session of the United Nations Statistics Division – Statistical Commission, held in New York
- 3rd Meeting of the Advisory Expert Group on National Accounts – United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP), held in Bangkok
- United Nations Expert Group Meeting on 2010 World Program on Population and Housing Censuses, held in New York
- 14th Conference of Commonwealth Statisticians where the underlying theme was "Millennium +5: Managing Statistics for More Equitable Societies", held in Cape Town
- 54th Plenary Session, United Nations and the Organisation for Economic Co-operation and Development, held in Paris.

Another important initiative that the ABS was involved with was the development of International Principles for Confidentiality and Access to Microdata. The Conference of European Statisticians (CES) established a working group, chaired by the Australian Statistician, to investigate current practices and the feasibility of international guidelines for access to microdata. The CES recognises the growing desire for improved access to

microdata amongst researchers and that national statistical offices have been grappling with how to extend access while maintaining respondent confidentiality.

The working group has produced a publication titled *Interim Guidelines: Managing Statistical Confidentiality and Microdata Access – Principles and Guidelines of Good Practice*. The guidelines aim to foster greater uniformity of approach by countries, while facilitating better access to microdata by the research community and, through the guidelines and supporting materials, enabling countries to improve their arrangements for providing access to microdata. The June meeting of the CES in Paris cleared the guidelines for release, subject to some minor amendments.

ABS senior executive hold prominent positions on a number of international groups. In 2005–06, these included:

- Mr Dennis Trewin, Australian Statistician
 - Chair of the International Comparison Program Global Executive Board, World Bank
 - Chair of the Conference of European Statisticians Task Force on Confidentiality and Microdata
 - Moderator of the United Nations 'Friends of the Chair' group for the Millennium Development Goal Indicators (see below)
 - Member of the Advisory Board of the Marrakesh Action Plan for Statistics
- Mr Peter Harper, Deputy Australian Statistician, Economic Statistics Group
 - Chair of Canberra Group II on the Measurement of Non-financial Assets
 - Member of the Advisory Expert Group for the 1993 System of National Accounts Update
 - Member of the Regional Advisory Board for the Asia-Pacific International Comparison Project
- Ms Susan Linacre, Deputy Australian Statistician, Population Statistics Group
 - Council member of the International Statistical Institute
 - Chair of Working Group 1: Standards and Frameworks and a Core Set of Outputs, United Nations Expert Group on Population and Housing Censuses.

Visits to the ABS

The ABS received a number of visits from other national statistics offices, statistical agencies and international statistical organisations during the year including Bangladesh, Canada, China, Fiji, Germany, Hungary, Indonesia, Malaysia, Mongolia, Namibia, the Netherlands, New Zealand, Qatar, Singapore, Republic of Korea, Thailand, Tonga, United Kingdom, United States of America, Vanuatu, the Secretariat of the Pacific Community, and the Food and Agriculture Organisation of the United Nations.

The duration and purpose of these visits vary, but all act to build stronger relationships with like organisations with which we share knowledge and know-how. For example, discussions on data warehousing and dissemination were held with representative from the Thai National Statistical office and the Central Bank of Thailand. These discussions represented the culmination of previous assistance missions and effectively concluded this work by reviewing progress made in Thailand and determining the best ways in which ABS could continue to support efforts in Thailand in a low-key way.

In 2005-06, the ABS' relationship with the Republic of Korea continued to develop. Since 2004, the ABS has had a member of the Korean National Statistical Office (KNSO) on secondment in Australia and the ABS sent a short term (3 month) visitor to the KNSO. In association with the KNSO seconded officer, a number of visits from Korean officials, from various ministries, have taken place this year. Topics discussed include education statistics, vitals and health statistics, census, and environment and agriculture statistics.

International standards, frameworks and methodologies

Australia collaborates on international developments such as standards setting for key statistics. It supports sound methodological approaches to the development of standards and helps ensure that such standards and statistical developments reflect the Australian user interests and aid international comparability where that is meaningful. User interest in these types of studies is growing strongly.

The ABS has contributed to the development of key international standards, frameworks and methodologies by:

- contributing as a member of expert groups for the reviews of the System of National Accounts (the international standard for national accounts statistics, released in 1993) and the Balance of Payments Manual 5th edition (also most recently released in 1993) – as many of the matters to be considered are relevant to both frameworks, they are being updated in parallel
- contributing as a member of the United Nations Committee of Experts on Environmental-Economic Accounting
- contributing to the development of the United Nation's Central Product Classification (CPC V.2) and the International Standard Industrial Classification (Rev.4) – the latter is in line with the redevelopment of ANZSIC, previously discussed in chapters 4 and 7
- contributing through membership of the expert group for updating the International Standard Classification of Occupations (ISCO), and through the secondment of a senior statistician to the International Labour Organisation for this review
- joining international groups developing standards for measuring health and disability, coordinated by the United Nations Economic Commission for Europe, the World Health Organisation and Eurostat
- participating at the fourth global conference on monitoring risk factor behaviours in the population
- joining the International Group for Indigenous Health Measurement meeting and the International Network of Indigenous Health Knowledge and Development
- reviewing the Organisation for Economic Co-operation and Development's (OECD) Fields of Science classification
- drafting, with the OECD Benchmark Advisory Group, the new edition of the OECD's Benchmark Definition of Foreign Direct Investment, the international standard used for reporting direct investment statistics to the OECD
- participating in an United Nations Economic Commission for Europe pilot study to measure member countries international emigration using other countries' immigration statistics

- contributing to the second revision of Principles and Recommendations, a set of guidelines and processes, methodologies, standards and frameworks for undertaking population censuses. Revision 2 is being prepared with a focus on the 2010 world round of population censuses.

International Comparison Program (ICP)

The ICP is a statistical initiative to produce internationally comparable expenditure values, purchasing power parity (PPP) estimates and comparative price levels. All major international development agencies, including the World Bank, the International Monetary Fund, the World Health Organisation and the United Nations Development Fund, use PPP to analyse economic and social conditions within their areas of concern. PPP takes into account the cost of a common basket of goods in the countries being compared. The ICP offers a powerful tool for comparative research on economic and social development.

The ABS has been heavily involved in most recent ICP exercises. The Australian Statistician is the Chair of the ICP's Global Executive Board, which last met in June 2006. The Asian Development Bank is responsible for coordinating the Asia-Pacific region's participation in the ICP. A Regional Advisory Board for the Asia-Pacific region meets about every 6 to 8 months to monitor progress in the region. The Deputy Australian Statistician for Economic Statistics is a member of this Board, and the head of the ABS's Prices Branch is a member of the ICP's Technical Advisory Group.

The ABS will continue to assist the Asian Development Bank as required. The Asian Development Bank is planning to release preliminary PPPs for consumption items in October 2006 and for the full GDP in early 2007. The final report on the Asian/Pacific ICP is scheduled for release in September 2007.

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Statistical training and technical assistance

The ABS continues to provide a valuable contribution to international statistical training, including through the United Nations Statistical Institute for Asia and the Pacific (SIAP), the South East Asian Central Banks Research and Training Centre, the Bank of Korea from the Republic of Korea and the International Monetary Fund (IMF).

The ABS provides international statistical assistance to countries in the Asia-Pacific region which seek ABS advice and support, and are high priority for the Australian Government. The ABS currently has three major long term programs of technical assistance in place:

- a. Indonesia: Government Partnership Fund
- b. Pacific Region: Pacific Governance Support Program
- c. Vanuatu: Vanuatu Statistical Institutional Strengthening Program

a. Indonesia

The ABS has had a long association with Badan Pusat Statistik – Statistics Indonesia (BPS). Most recently, in response to the tsunami disaster in Indonesia, the Australia Indonesia Partnership for Reconstruction and Development (AIPRD) was established. As part of the AIPRD, AusAID is managing a Government Partnership Fund (GPF) to assist Indonesia. The GPF is a flagship of Australia's enhanced partnership with

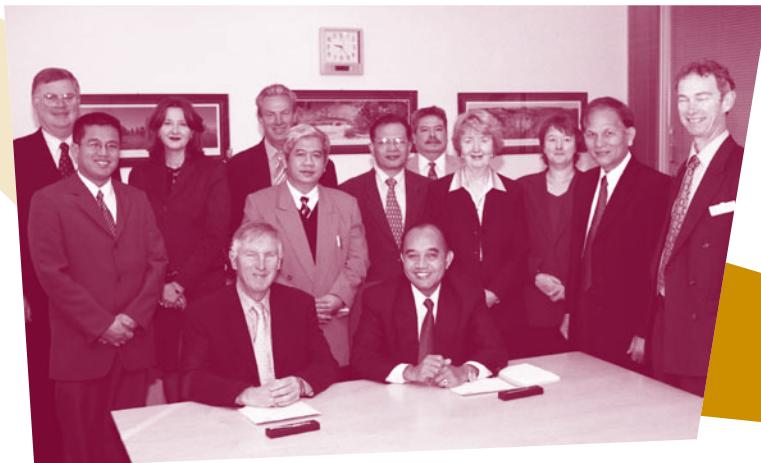
Indonesia and will provide a vehicle for supporting the further development of Indonesia's economic governance and public sector management capabilities.

Specifically, the goal of ABS involvement in the GPF is to improve the Indonesian statistical system and to establish greater coordination and a stronger relationship between Australia and BPS and Bank Indonesia, with a mutually agreed identification of skill and capability gaps.

A scoping mission to Indonesia was undertaken in April 2006 by two senior ABS officers to achieve understanding and agreement between the ABS, BPS and Bank Indonesia on priorities (dissemination and data warehousing; national accounts and data sources; labour statistics; statistical methodology) and emerging issues, and to develop a strategy to address those priorities.

In addition, the Director General of BPS, Dr Choiril Maksum, and a party of three other high level BPS representatives visited the ABS in June 2006 to discuss statistical priorities and issues, together with matters of mutual interest. During the visit a Memorandum of Understanding (MOU) between the BPS and the ABS was signed by the heads of both Agencies.

In 2006–07, subject to AusAID funding, a large-scale program of statistical capacity building that pursues the priorities listed above will commence.



The Australian Statistician signing the Memorandum of Understanding in June 2006 with the Director General of Badan Pusat Statistik – Statistics Indonesia

b. Pacific Region

In 2005, AusAID agreed to fund an ABS proposal under its Pacific Governance Support Program (PGSP). The aim of the proposal is to strengthen the national statistical systems of Pacific Island countries. The ABS proposal outlines a two stage process working collaboratively with the Secretariat of Pacific Community (SPC) to enhance the capabilities of national statistics offices in Pacific Island countries in: project management; strategic planning and development of a forward work program; and building capacity to deliver a forward work program.

Stage 1 comprises a pilot project to deliver project management capabilities to three Pacific Island countries (Solomon Islands, Marshall Islands and Tuvalu) with the assistance of the SPC. A detailed project plan for a major statistical deliverable for each country will be developed.

Stage 2 proposes that the pilot project be extended to Pacific Island countries not included in the pilot. It is also proposed to commence a program to improve national statistics through improved corporate governance and strategic planning, forward work programming and capacity building.

In June 2006, the program commenced with the delivery of project management training to the Solomon Islands which was deemed a great success.

c. Vanuatu

In April 2006, the ABS and AusAID signed a Record of Understanding to continue ABS assistance to the Vanuatu National Statistics Office (VNSO) through the Vanuatu Statistical Institutional Strengthening Program. The aim of the program is to ensure the sustainable development and capability of the VNSO through a number of corporate governance activities such as developing a general strategic plan, a five year forward work plan, a general resourcing plan, a human resource plan (including attraction, recruitment and retention of appropriately skilled staff), a skills development plan and a succession plan.

Two ABS officers delivered strategic planning and forward work programming training to the VNSO in June 2006.

In addition to planned programs of assistance, the ABS provided statistical advice and capacity building in response to various requests from countries in the region and from international statistical organisations. This included assistance to:

- India on its business register
- United Nations Economic and Social Commission for Asia and the Pacific in the field of disability statistics, and
- Thailand on data management systems

Millennium Development Goal Indicators

The Second International Round Table on Managing for Development Results, held in Marrakesh in 2004, adopted the Marrakesh Action Plan for Statistics (MAPS). This plan comprises six streams of activity to advance the statistical systems of developing countries:

- (i) help countries prepare strategic statistical development plans
- (ii) increase financing for statistical capacity building
- (iii) support preparations for the 2010 round of population censuses
- (iv) establish an International Household Survey Network to improve coordination of surveys and increase access to data
- (v) undertake short-term actions to improve the monitoring of Millennium Development Goals (MDGs) indicators, and
- (vi) increase the accountability of the international statistical system.

The ABS supports the MAPS and believes it has potential to provide a framework for future statistical capacity work at a global level. In line with the MAPS, the United Nations Statistical Division formed a 'Friends of the Chair group' (FOC) to investigate underlying causes of the paucity and poor quality of statistics available to report on progress towards achieving the MDGs. The Australian Statistician was nominated to the FOC and subsequently appointed Moderator.

The FOC made a number of recommendations on how to improve the indicators associated with monitoring MDGs. The recommendations were tabled at the March 2006 meeting of the UN Statistical Commission (UNSC). The recommendations received strong support which culminated in the unanimous passing of a resolution aimed at improving reporting against MDGs.

Chapter 17

Effectiveness of activities

Introduction

The ABS has put in place a number of processes, systems and controls to ensure that its statistical and non-statistical activities are as efficient and effective as possible. These include the strategic audit and review program, operational reviews and statistical reviews, as well as special initiatives.

Many of the reviews and audits conducted seek to ensure that the ABS achieves cost-effective outputs, either as a primary or secondary objective. A key approach in achieving this is benchmarking ABS activities against similar activities elsewhere in the ABS, in other agencies in Australia, or overseas agencies. This provides the opportunity for the ABS to understand and learn from best practice, and to improve performance.

In particular, the ABS often benefits from comparisons with the activities of statistical organisations in other countries. There were no overall bilateral meetings in 2005–06, but there were many productive meetings on particular aspects of statistics. More information is available in chapter 16.

The ABS continues to use external providers for a wide range of functions, including information technology training, leadership and management training, staff counselling services, legal advice, building maintenance, the supply of stationary and internal audit. During 2005–06, external providers were used extensively in the preparations for the 2006 Census of Population and Housing.

Audit and review program

The ABS conducts a strategic audit and review program, with a focus on targeting areas that present risks for the ABS (see chapter 18 for further information). Many of these audits and reviews involve benchmarking, and make recommendations to improve the efficiency of ABS operations. Use of an external audit provider for internal audit ensures that their experience with other agencies is incorporated into their audits of ABS functions.

The ABS has also utilised its internal audit program to review the effectiveness of corporate services activities. The ABS is currently implementing a range of recommendations arising from audits conducted during 2005–06, to further enhance the effectiveness of its corporate services functions in areas such as payroll processing and administration, employee performance management, and human resources information technology systems.

In 2005–06, an audit was conducted on credit card usage, to ensure that credit cards are being used to the ABS' full advantage. The audit found that there are efficiencies to be gained in increasing credit card usage where possible, instead of using more traditional payment methods such as Accounts Payable. The audit also made recommendations relating to controls in place over credit card transactions.

In 2005–06, the ABS reviewed a number of aspects of its human resources functions, primarily focussing on the internal structures and distribution of work, both between central

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office and regional offices, and overall. As a result, changes in the branch structure of the Corporate Services Division have been planned and will be introduced during 2006-07.

A review of the ABS' approach to budgeting and forecasting was conducted, using an external consultant. The review found that, although the ABS approach to budgeting and forecasting is fundamentally sound, there are a number of areas that could be improved and streamlined. Implementation of the review's recommendations will strengthen the preparation of 'bottom up' budgets, to better inform senior management decisions and support the 'top down' approach the ABS takes to identifying work program priorities. The recommended changes are contributing to the ABS developing more robust, consistent and integrated financial systems and procedures.

The ABS introduced improvements to the ABS website in 2005-06, and then commissioned a consultant to assess the new ABS website (further information can be found in chapter 12 on quality and timeliness of statistics). The assessment found that the new ABS web site was significantly better than the old site. This will not only benefit users accessing ABS data and information, but should also reduce the cost to the ABS of supporting users through the National Information and Referral Service telephone enquiry service, and through other areas in the ABS.

Working more effectively with partners

The 2006 Census of Population and Housing offered the ABS an opportunity to be more effective by working in partnership with an organisation with special expertise in the area of online collection of data. Respondents have the ability to submit their 2006 Census form on-line, using the eCensus facility jointly developed by the ABS and IBM. The system has been under development since December 2004 with the final stages completed during 2005-06. Key features of this venture included the ability to accept the expected high numbers of Census returns on Census night, while maintaining the confidentiality and privacy of the information being provided.

This project has also involved a range of other organisations, including:

- Vision Australia evaluating the accessibility of the system
- Defence Signals Directorate evaluating security, and
- Mercury Interactive testing load handling capabilities.

Statistical reviews and special initiatives

The ABS regularly reviews aspects of its statistical work program to ensure that the activities conducted are appropriately targeted and meet user needs effectively and efficiently. These reviews can result in recommendations for changes to work program, or improvements to processes. Examples of reviews in 2005/06 include a review of format, content and distribution of *Australian Economic Indicators* (cat. no. 1350.0), a review of user requirements for the Service Industry survey program, and an internal efficiency review of the labour price index.

In 2005-06, the ABS embarked on a number of major initiatives relating to processes for collecting and processing data. These do not focus on particular collections, but on the overall infrastructure and procedures used in the ABS. A key focus of the three initiatives

described below is to improve the efficiency of ABS operations. While none of these are complete yet, they are expected to provide considerable benefits for the ABS in future years.

End to End Program for Business Statistics

The End to End Program for Business Statistics was established in late 2005 to continue to guide the continuing evolution of the way ABS produces business statistics. The outcomes sought include: more efficient and effective business processes; methodologies and technologies; increased standardisation of processes; well integrated end to end processes; and improved management of risk areas.

The End to End Program is the latest stage in the major change program for ABS business statistics that commenced in 2002. Initial steps were taken with the Business Statistics Innovation Program (BSIP) using innovative technologies and methodologies to re-engineer the ABS' business statistics processes, to improve the quality and relevance of business statistics in a manner that was most efficient for both the ABS and its providers. BSIP was formally closed in mid-2005, with many changes successfully introduced but the remaining opportunities for improving effectiveness will now be implemented as part of the End to End Program for Business Statistics.

Integrated System for Household Surveys

The objective of the Integrated Systems for Household Surveys project is to achieve operational excellence in household survey systems and processes. The project covers the review and development, from an end to end perspective, of the data and metadata systems infrastructure required for the ABS household surveys program. Some changes have already been introduced (for example, staff numbers on business statistics were reduced from 1029 to 856), while others are scheduled for later phases.

Operations Research initiative

Operations Research is the discipline of using qualitative and quantitative analytical techniques to make better business decisions. Qualitative techniques help identify the underlying issues in complex, real world problems, while the quantitative techniques are used where the basic problem has been identified, and approaches like mathematical optimisation, sensitivity analysis and simulation can guide the best deployment of resources.

In May 2006, an Operations Research Unit was set up in ABS to look at how to use operations research techniques to deliver cost savings and/or improvements in efficiency and effectiveness of ABS survey processes.

The work program has two initial projects, focussing on the cost effectiveness of collection of data:

- for the population statistics program, this will include looking at the patterns used by interviewers in travelling to conduct face-to-face interviews, and in calling back respondents for phone interviews.
- for the economic statistics program, looking at patterns used in calling back respondents for telephone follow-up, and the trade off between extent and cost of follow up and increase in response rates.

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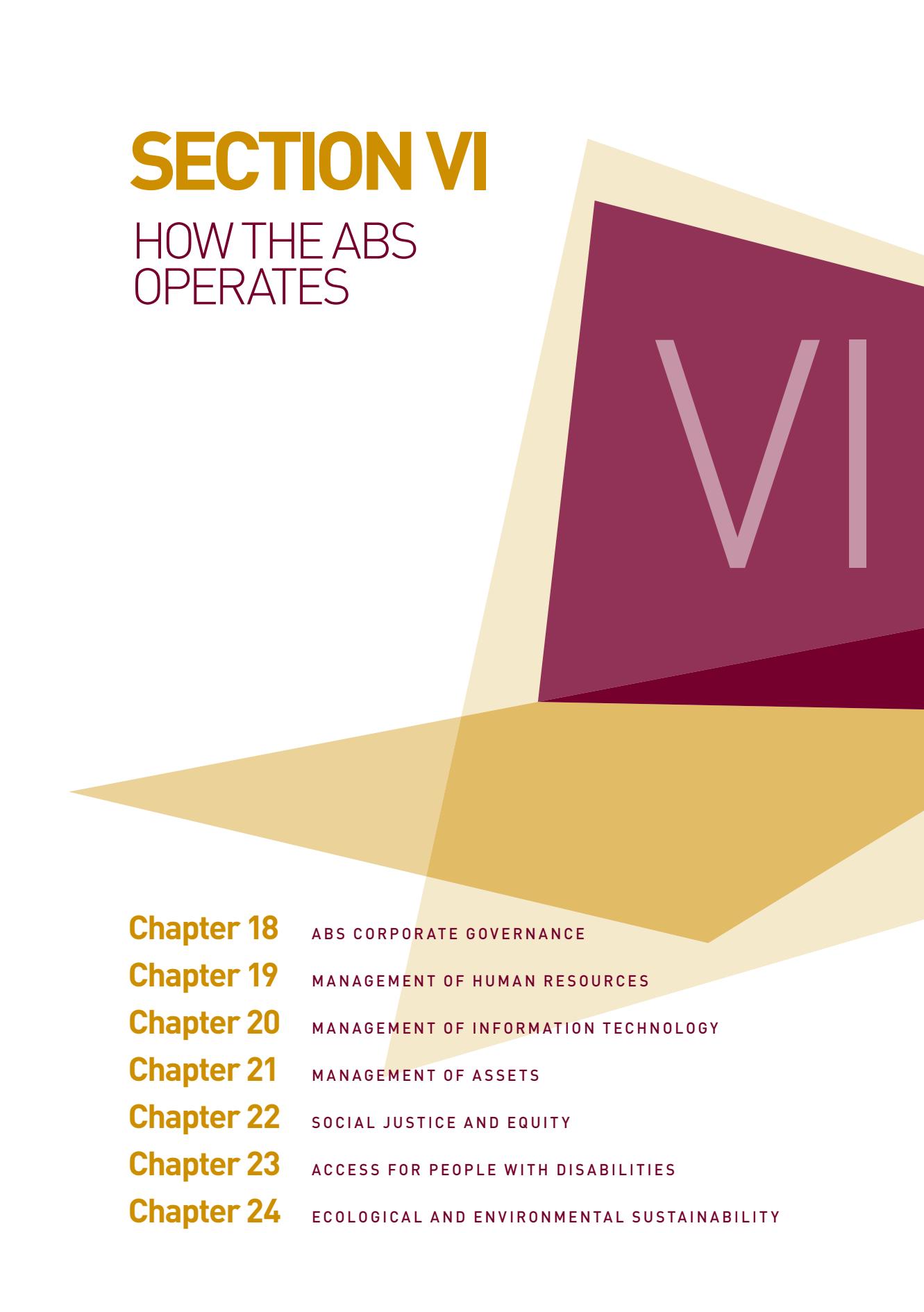
Annual Report 2005-06

AUSTRALIAN BUREAU OF STATISTICS

SECTION VI

HOW THE ABS OPERATES

VI



- Chapter 18** ABS CORPORATE GOVERNANCE
- Chapter 19** MANAGEMENT OF HUMAN RESOURCES
- Chapter 20** MANAGEMENT OF INFORMATION TECHNOLOGY
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Chapter 18

ABS corporate governance

18.1 Introduction

ABS corporate governance arrangements ensure transparency in decision making, operation and accountability by promoting strong leadership, sound management and effective planning and review processes.

The Office of the Statistician has an important role as a focal point for ABS corporate governance. It supports the effective operation of governance forums, ensures that the ABS operates within the scope of its authority and legislative basis, and manages ABS audit, review and risk management activities.

Some of the key ABS corporate governance mechanisms are described below:

- a planning cycle to ensure that the ABS work program reflects current and emerging statistical priorities of users, and is consistent with the ABS mission and overall strategic directions
- senior management committees involved in developing policies and strategies, identifying priorities and monitoring ABS activities
- advisory bodies and user groups to enable the ABS to consult widely with the user community in relation to the ABS work program
- an audit and review program covering different facets of ABS operations and overseen by the Audit Committee
- a risk management framework to assist in identifying and managing risks at organisational, operational and project level
- instructions and manuals to ensure staff can access ABS policies and practices.

18.2 ABS values

Underlying these mechanisms are the Australian Public Service and ABS values, which are the basis for the ethical standards for ABS employees.

As an Australian Public Service agency, ABS employees are required to abide by the APS values and the Code of Conduct. In addition, the ABS Corporate Plan sets out the more particular values of the ABS, which are material to the ABS' role as an independent provider of information for Australia.

These values are promoted through training courses and awareness raising. They are used as a reference for the actions and decisions of ABS staff, from senior management down.

The ABS values are:

- integrity
- service
- professionalism
- relevance
- trust of providers
- access for all.

18.3 Senior management committees and their roles

An important feature of ABS corporate governance is the role played by senior management committees, which are active in developing policies and strategies, identifying ABS priorities, ensuring appropriate planning and implementation to address those priorities, and effective monitoring of ABS activities.

The major senior management committees are as follows:

Division Heads Meetings (DHM)

DHMs are the ABS executive meetings held weekly to address emerging corporate issues. They are attended by the Statistician, the Deputy Statisticians, and the First Assistant Statisticians, with other attendees as required for particular items. Each Assistant Statistician and Regional Director in the ABS reports, on a rolling basis, to the DHM in respect of their area of functional responsibility.

ABS Management Meetings

The Management Meetings play a major role in determining ABS strategic directions, priorities and resource allocations. They involve all DHM members, as well as the Regional Directors. The Management Meeting is held twice a year, and agrees on the ABS forward work program. Each Division and Group details their strategic directions annually to the ABS Management Meeting.

Protective Security Management Committee

The ABS maintains a comprehensive security framework, overseen by a Protective Security Management Committee chaired by a Deputy Australian Statistician. This security framework ensures that both physical and computer security are maintained. The Committee is a key means of ensuring that the ABS meets its legal requirement not to divulge identifiable information.

Audit Committee

The ABS Audit Committee provides assurance to the Australian Statistician that: a comprehensive control framework is in place and working effectively for all business systems; the operation and management of all ABS systems are sufficiently adequate to ensure the ABS complies with all its legislative and other obligations; and externally published information generated by these systems is of appropriate quality and conforms with legislative and other obligations. The committee identifies significant issues of concern or non-compliance.

The ABS Audit Committee is chaired by a Deputy Australian Statistician, and comprises six other ABS officers chosen for their personal qualities, experience and skills including their ability to demonstrate independence on matters before the Committee. Throughout 2005-06, the Committee included two experienced external members as well.

Information Resources Management Committee

The Information Resources Management Committee considers matters of strategic significance concerning data and information management and related policy, and major issues relating to the application of information and communication technology in the

ABS. It also has responsibility for the strategic management of cost recovery activities of the information technology and technology services areas of the ABS. The Committee meets four times each year, and reports to each Management Meeting and the DHM as appropriate. It is chaired by the Deputy Australian Statistician, Population Statistics Group, and consists of the Deputy Australian Statistician, Economic Statistics Group, all First Assistant Statisticians, a nominated Regional Director, and appropriate Assistant Statisticians.

Accountability Division Heads Meeting

Accountability Division Heads Meetings (Accountability DHMs) provide a forum for reviewing the ABS financial position. They also play an important role in the planning cycle, providing the opportunity for senior managers to discuss work program priorities within the broader budgetary context, and reach agreement on allocation of funds.

Accountability DHMs are scheduled four times a year and are chaired by the Australian Statistician. Other members are the usual DHM members and the ABS Chief Financial Officer.

Human Resources Division Heads Meeting

Human Resources Division Heads Meetings (HR DHM) were introduced in November 2005. This forum replaces the Human Resources Strategy Committee, which was a discussion forum rather than a decision making body. HR DHMs provide a forum for members to actively contribute to strategic directions for human resources and guide human resource management practices to ensure the achievement of ABS goals.

Members of the HR DHM undertake a governance role in respect to people strategies by:

- a. making decisions on key strategic human resource matters
- b. providing assistance in determining human resource priorities
- c. monitoring progress on significant strategic human resource projects, and
- d. identifying human resource opportunities, issues and risks.

A wide range of matters have been considered at HR DHMs, including workforce planning, learning and development, workplace diversity, occupational health and safety, remuneration and recruitment.

HR DHMs are scheduled twice a year and are chaired by the Australian Statistician. Other members include all usual DHM members, a nominated Regional Director, the Assistant Statistician, Business Strategies Branch, the Assistant Statistician, Business Operations Branch, and an external member. Meryl Stanton, past director of the Australian Quarantine and Inspection Service, is the external member of this committee.



Members of the Australian Statistics Advisory Council meeting in May 2006 to provide advice on statistical priorities

18.4 Planning

The provision of a high quality national statistical service is a complex management exercise due to the diverse nature of user requirements and, in most instances, the lead time required to develop or update statistical collections. While the ABS recognises that it is impossible to satisfy all demands, in order to maintain relevance, it seeks to react positively and responsibly to the demonstrated needs of its users. At the same time, the ABS is conscious of the constraints on public spending and on the workload placed on providers of information for its collections. Continued effort is made to review and, where possible, reduce provider/respondent load.

How the ABS understands client needs

For the ABS, determining future priorities involves consulting and planning with statistics users. Users of statistics are consulted to determine their information needs. These needs are used as an input to decisions on the scope, content and frequency of statistical collections.

Consultation takes place through ABS-organised statistics user groups including the Australian Statistics Advisory Council; direct discussion with interested Australian government, state or local agencies, academics, industry bodies; and through the release of information or discussion papers inviting comment.

Consultations cover both needs for data on new or emerging topics, and modifications to existing data collections. For new surveys that are incorporated into the work program, contact with consulted groups continues throughout the survey cycle to keep them informed on progress and as a check that developments towards statistical outputs remain on track to meet survey objectives.

See chapter 9 for more information on engagement with users of statistics. In addition, a list of user groups the ABS organises for consultation on work program decisions is provided in Appendix 2.

How the ABS determines its work program

The ABS mission statement and corporate plan provide the context and high level framework for making decisions on the ABS' forward work program.

While much of the ABS work program remains constant from year to year, the planning process tries to make some resources available to pursue new high priority work.

Within this framework, the annual ABS planning cycle comprises a structured series of high level meetings and forums where senior managers formally and extensively consider the relative priorities and competing resource requirements of program components. In doing this, particular attention is given to:

- input from user consultations
- the extent to which particular statistical activities continue to be justified in relation to other work for which a demand has been expressed by users
- the contribution statistical activities make to achieving National Statistical Service objectives
- the cost imposed on respondents to collections, in terms of time and effort
- prospective total resources available to the ABS within the upcoming three-year period
- the market potential and revenue implications of the various initiatives proposed
- productivity gains, which have been achieved or, which might be possible in the future
- the relative share of resources spent on statistical and non-statistical work.

Proposals from managers of program components are considered by senior management, generally following consultation with major users.

Aspects of the proposed forward work program and resource estimates that emerge are considered by the Australian Statistics Advisory Council (ASAC). The statistical work program is then finalised in the light of ASAC advice.

The Forward Work Program 2006–07 to 2008–09 is published in hard copy and it is available on the ABS website.

18.5 Audit and risk management

The ABS Risk Management Framework and Guidelines provides a mechanism for monitoring and identifying shifts in the risk exposure and the emergence of 'new' risks.

ABS senior management are closely involved in monitoring and managing those risks identified as enterprise risks. These are risks that are strategic in nature and have the potential to significantly impact on the organisation. During 2005–06, the ABS executive reviewed the key enterprise risks to confirm their currency and to plan ongoing treatment strategies.

A work program is set, by the Audit Committee, for reviews drawing on the outcomes of risk assessments, the fraud control plan, and recommendations from ABS managers and the Australian National Audit Office. The work program is undertaken by an external audit contractor and covers compliance and risk management issues. A broader review program, involving internal and external reviewers, looks at other issues of efficiency and effectiveness. The Audit Committee meets four times a year and reports to the executive meetings as appropriate.

Internal audits undertaken during 2005–06 included reviews of: the quality of metadata; compliance with legislation in relation to the release of tables; use of the Australian government credit card; performance management; probation system; human resource planning, management and it processes; and salary sacrifice arrangements.

At the operational level, the program of facilitated risk management workshops for key areas was continued, to ensure that risk assessments for these areas were applied consistently and given priority. These workshops assist program directors in ensuring that risks that have the potential to impact on a program's objectives are appropriately identified and managed.

The management of project risks is largely facilitated through the inclusion of risk management templates in the ABS Project Management Framework. Project managers have the responsibility for identifying and managing risks at the project level.

During 2005–06, a review of the ABS control framework was completed. A paper was produced setting out the legislative framework in which the ABS operates, the types of controls used by the ABS to meet its legislative requirements, and the dimensions in which these controls are applied.

Fraud control

As required by the Commonwealth Fraud Control Guidelines, the Australian Statistician has certified that the ABS has prepared appropriate fraud risk assessments and fraud control plans, and has in place appropriate fraud prevention, detection, investigation, reporting and data collection procedures and processes that meet the specific needs of the ABS and comply with the guidelines.

During 2005–06, the ABS commissioned an external review of its Fraud Control Plan. A fraud risk assessment was undertaken and an updated Fraud Control Plan, including a risk register, was produced.

Regular status reporting against each risk treatment option identified will be integrated with normal reporting to ABS management and the Audit Committee.

Security of premises

Ensuring the security of ABS premises is key to minimising risks in a number of areas, including fraud.

All ABS premises are physically secure against unauthorised access. Entry is through electronically controlled access systems activated by individually coded access cards and monitored by closed circuit television. Particularly sensitive output data are subject to further physical security measures.

The ABS computer network has a secure gateway, which allows connection to some Internet services. The secure gateway has been established in accordance with Australian Government guidelines and is subject to annual accreditation by the National Communications and Computer Security Advisory Authority, Defence Signals Directorate.

Internal access to ABS computing systems is based on personal identifiers that are password protected. Specific databases are only accessible by approved users. The computer systems are regularly monitored and usage audited. There were no unauthorised access incidents into the ABS computing systems during 2005–06.

Additional access control systems are used to protect any data designated 'sensitive'. Access to sensitive data is only granted under the authority of area line management (the 'owners' of the data) on the basis that access is required by the staff member to carry out their duties.

Included in the ABS strategic audit plan is an ongoing program of security audits and reviews of computer systems and the physical environment.

18.6 Privacy

As an Australian Government department, the ABS must comply with the Privacy Act 1988 and the associated Information Privacy Principles, which govern the way personal information should be collected, stored, used and disclosed. These obligations cover information about staff, clients and respondents. They are in addition to the protection of confidentiality of data provided by respondents from the *Census and Statistics Act 1905* (for more information see chapter 10).

The ABS has a privacy officer who advises on privacy issues internally, providing the perspective of a privacy advocate, and monitors the external environment to keep up to date on privacy issues that could impact upon ABS operations.

The ABS maintains a close relationship with the Office of the Federal Privacy Commissioner (OPFC), advising the Commissioner regularly of the ABS forward work program, attending OPFC quarterly privacy officer network meetings, and seeking advice on any new ABS initiatives about which privacy advocates may have concerns. Every year the ABS contributes to the Commissioner's Personal Information Digest, which is published to inform the general public of the types of personal information that government departments hold.

In May 2006, the Australian Statistician presented papers on the 2006 Census of Population and Housing and the National Data Network to a meeting of the Australian Pacific Privacy Authorities (APPA). The APPA group includes the Federal Privacy Commissioner, State and Territory Commissioners and representatives from New Zealand, the Republic of Korea and Hong Kong privacy organisations. This was a valuable opportunity to increase awareness on all sides.

18.7 External scrutiny

The ABS is subject to external scrutiny from a range of bodies. These include the Australian Statistics Advisory Council, and other advisory groups, which comment on the ABS work program (for more information see chapter 9).

There are a range of bodies established by the Australian Government that can examine the operations of the ABS. The ABS assisted in providing information to the Australian National Audit Office (ANAO), the Commonwealth Ombudsman and parliamentary committees during 2005–06. Information on submissions made to Parliamentary Committees is available in an online appendix. Documents tabled in Parliament by the ABS are listed in an online appendix. ABS obligations under Freedom of Information are examined in Appendix 5. ABS assistance with ANAO studies is detailed below.

There were no adverse comments relating to the ABS from the ANAO, the Commonwealth Ombudsman, parliamentary committees, or courts or tribunals during 2005–06.

Auditor General

While no ANAO studies specifically focused on the ABS in 2005–06, the ABS participated in a number of ANAO studies, including *Salary Packaging Administration; Compliance with the Outcomes and Outputs Framework; Reporting of Expenditure on Consultants; and Green Office Procurement*.

Together with three service delivery agencies, the ABS was included in a performance audit on *Forms for Individual Service Delivery*. The aim of the audit was to examine how well key Australian Government agencies, responsible for delivery of services to individuals manage form design and review. The ABS household form for the Census of Population and Housing was used as a benchmark for comparison, on the basis that it has been subject to continuous improvement and testing over a very long period, and could therefore offer potential for the identification of sound practices in form design and review.

There was one general recommendation from the audit:

That agencies test the usability of their forms prior to their release, taking account of the literacy skills and accessibility needs of their client groups.

The ABS supported the recommendation.

During the course of the audit, the ANAO developed a Better Practice Guide, *User Friendly Forms: Key Principles and Practices to Effectively Design and Communicate Australian Government Forms*. ABS input into contributing to the ANAO' understanding of practices in form design was acknowledged.

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Chapter 19

Management of human resources

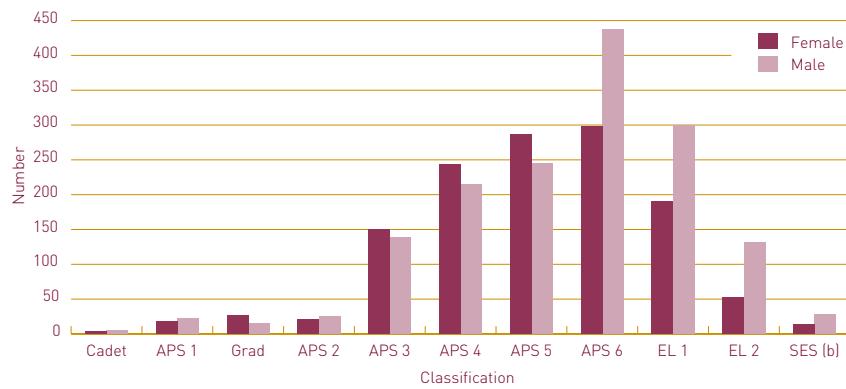
Introduction

The ABS depends on the combined efforts of capable and motivated employees to achieve its objectives. The ABS needs people who can understand Australia's evolving information needs, and can assist the ABS to satisfy those needs; people who understand the changes to the environment in which the ABS operates, and can help the ABS to adapt to those changes; people with both professional competence and a commitment to ABS values. As such, human resource management is a critical function within the ABS.

As at 30 June 2006, there were 3,514 staff employed at the ABS under the *Public Service Act 1999* – 1,724 males and 1,790 females. This includes operative, paid inoperative and unpaid inoperative staff. There were also 652 staff employed under the *Australian Bureau of Statistics Act 1975* to assist with data collection, mostly household survey interviewers. These numbers do not include the 30,000 temporary staff employed as part of the 2006 Census of Population and Housing collection operations.

The tables below present the profile of ABS staff by employment classification and sex, and by location and type of employment for operative and paid inoperative staff. They exclude staff employed under the ABS Act, and 136 unpaid inoperative staff.

Graph 19.1: Employment classification by sex, 30 June 2006 (a)



(a) operative and paid inoperative staff

(b) includes Statistician (statutory appointment)

Table 19.1: Number of ABS staff by location and status, at 30 June 2006 (a)

	Ongoing		Non-ongoing		Total
	Full-time	Part-time	Full-time	Part-time	
Central office (ACT)	1423	210	36	77	1746
NSW	263	29	44	61	397
Victoria	222	34	24	3	283
Queensland	137	13	36	1	187
WA	175	16	48	12	251
SA	143	25	20	8	196
Tasmania	91	12	5	1	109
NT	34	5	15	2	56
ACT	14	0	5	0	19
DPC (Melbourne)	50	0	83	1	134
Total	2552	344	316	166	3378

(a) Includes operative and paid inoperative staff

The number of women in the Senior Executive Service (SES) in the ABS has been increasing, and women now constitute a third of the SES.

Table 19.2: Number of ABS Senior Executive Staff (SES): by level, sex and year (a)

Year (at 30 June)	SES Level			Sex	
	1	2	3	Male	Female
2003	26	6	2	28	6
2004 (r)	26	5	2	26	7
2005	26	6	2	26	8
2006	25	6	2	22	11
					33

(a) Includes only operative, substantive SES officers, but excludes the Australian Statistician, who is a statutory office holder appointed under the *Australian Bureau of Statistics Act 1975*

(r) Revised

Australian Public Service Values in the ABS

The Australian Public Service (APS) values are actively promoted and strongly adhered to throughout the ABS. The APS values are congruent with the ABS values, which are fundamental to the ABS performing its role as a trusted provider of statistical information. The ABS values are discussed further in chapter 19.

The importance of the APS values is reflected and integrated into the day to day management and operations of the ABS. For example, the obligations of employees to uphold the APS values and abide by the APS Code of Conduct are: promoted in training

courses from induction through to senior management development programs; actively applied through personnel management processes; supported by guidelines and procedures which themselves take account of the APS values; reflected throughout ABS corporate material which is readily accessible to employees through the ABS Intranet; and promoted via posters and the distribution of bookmarks to all employees and new recruits.

Workforce Shaping

Workforce shaping is a high priority for the ABS and is being undertaken to ensure there are enough staff with the right skills and capabilities in order for the ABS to meet its business objectives now and into the future. The term 'workforce shaping' (rather than workforce planning) has been adopted by the ABS as it implies a more comprehensive process, which focuses on influencing the shape of the workforce in order to best achieve organisational outcomes. The focus on workforce shaping also responds to continuing pressure to attract and recruit capable staff, together with an increasing need to induct and retain staff in whom we are investing development effort.

The approach to workforce shaping being adopted in the ABS is business driven, with issues being determined in conjunction with the business areas and based on business goals and objectives. This approach has resulted in the identification of priority workforce issues which will form the basis of workforce strategies to be investigated and progressed in 2006–07.

The identified priorities include:

- identifying and obtaining capabilities required in the future
- reviewing the way ABS structures work and the impact of the classification profile of the organisation
- implementing more flexible placements of work across the ABS, and
- implementing targeted retention strategies.

The process has also helped the ABS place new and emerging people issues into context.



Staff from the ABS joining in the centenary celebrations at ABS House in Canberra on 8 December 2005.

Recruitment

Improving the recruitment strategy, processes and practices has been a key organisational priority throughout 2005–06. In concert with much of the Australian public service, the ABS faces a tightening labour market and a changing workforce and there continues to be pressure to source and recruit capable staff. To meet the sustained high level of recruitment activity needed, the ABS has focused on improving attraction and recruitment processes as well as strengthening recruitment capability. There is commitment to delivering both a strategic recruitment framework and timely and efficient recruitment services that are focused on facilitating the attraction and selection of high calibre candidates.

The ABS is working progressively toward improving alignment of recruitment activities with business needs. Further refinement of recruitment business processes has taken place and there is fostering of an environment that better supports and guides managers, employees and candidates. To achieve this, throughout 2005–06 the ABS has focused on:

- improving the capabilities of selection panels and delegates through formal training programs
- trialling a range of methods for assessing applicants, including work skill testing and psychometric testing
- developing resources, tools and guidelines for applicants, panels and delegates
- fostering improved client relationships through the establishment of regular recruitment forums and establishment of service level agreements with ABS regional clients and stakeholders
- improving the quality and consistency of advertising and leveraging better the ABS brand, and
- improving graduate recruitment strategies including the introduction of a mid year intake.

Consultation in the ABS

The ABS is committed to communication and cooperation, which is reflected in its consultative framework. The ABS consultative framework includes: line managers who act as conduits of timely, relevant information; 13 consultative forums which provide employees with the opportunity to participate in and contribute their views on a range of issues; employee representatives; and an annual ABS National Forum which includes participants from each consultative forum, management and employee organisations.

The 2006 National Forum was held in March. The key topics of discussion were:

- the National Statistical Service
- progress towards addressing identified issues from the 2004 employee survey
- occupational health and safety
- ABS certified agreement process
- freedom of association
- directions and developments of the National Statistical Training Institute
- the capability framework, and
- workplace diversity.

Agreement making

2005–06 has been a very active agreement making year, with three industrial agreements certified by the Australian Industrial Relations Commission:

- *2006 Census of Population and Housing Data Processing Centre Certified Agreement 2005–2007*, certified on 5 July 2005
- *ABS Interviewers Certified Agreement 2005–2008*, certified on 12 July 2005, and
- *ABS Certified Agreement 2006–2009*, certified on 8 March 2006.

All the agreements were certified prior to the amendment of the *Workplace Relations Act 1996* by the *Workplace Relations Amendment (WorkChoices) Act 2005*.

The *2006 Census of Population and Housing Data Processing Centre Certified Agreement 2005–2007* is a 'greenfields' agreement, negotiated with the Community and Public Sector Union under section 170LL of the *Workplace Relations Act 1996*.

The *ABS Interviewers Certified Agreement 2005–2008* was developed in consultation with ABS interviewers and their representatives under section 170LK of the *Workplace Relations Act 1996*.

Extensive consultation occurred with employees and their representatives to develop the *ABS Certified Agreement 2006–2009* under section 170LK of the *Workplace Relations Act 1996*. The agreement was voted on and accepted by a valid and strong majority of employees on 3 March 2006 (63% of eligible voters voted on the *ABS Certified Agreement 2006–09* and 83% of these voted for the agreement).

The key features of the agreement focus on:

- providing fair and equitable remuneration arrangements to assist the ABS to attract and retain highly effective employees
- encouraging and rewarding individual and team achievements
- providing fair and flexible conditions of employment including options to work from home
- creating an environment where employees can pursue learning opportunities to enhance their career options whilst meeting organisation needs
- simplifying administrative processes
- providing for continued improvement in productivity and efficiency, and
- providing open communication and consultation.

Consultation on the certified agreements took place in very positive and productive environments, as evidenced by the acceptance of all three agreements at their initial ballots.

The ABS is currently preparing Australian Workplace Agreements under the *Workplace Relations Act 1996* as amended by *WorkChoices*.

Details of the number of staff covered by an Australian Workplace Agreement or a Certified Agreement at 30 June 2006 are as follows:

- ABS staff covered by an Australian Workplace Agreement:
 - 32 Senior Executive Service (SES)
 - 57 Non SES staff

- ABS staff covered by the ABS Certified Agreement 2006–2009 – 3425
- 652 ABS interviewers covered by the ABS *Interviewers Certified Agreement 2003–2005*.

The number of non SES staff on Australian Workplace Agreements (AWA) is relatively low this year, in comparison to previous years. The reason for the low number is that most non SES AWAs were terminated by agreement when their nominal expiry dates passed, and the ABS is preparing new non SES AWAs. There has been a delay in the release of the new AWAs as they are being prepared to meet the requirements in the amended *Workplace Relations Act 1996*.

Table 19.3: Salary ranges available by classification as at 30 June 2006(a)

Classification	Minimum (\$)	Maximum (\$)
<i>Australian Public Service (APS) level</i>		
APS1 (Adult)	32,846	36,132
APS2	37,175	40,892
APS3	42,339	46,572
APS4	47,663	52,428
APS5	53,162	58,478
APS6	60,470	66,516
<i>Executive Officer Level (EL)</i>		
EL1	74,006	81,406
EL2	93,564	102,920
<i>Senior Executive Service (SES) level</i>		
SES Band 1	113,001	138,482
SES Band 2	138,482	167,391
SES Band 3	167,391	n.a.(b)

(a) The APS1 to EL2 salary ranges took effect from 29 June 2006. SES Band 1 to SES Band 3 salary ranges took effect from 1 January 2006.

(b) n.a. not applicable (as there is not a maximum level for this classification)

The ABS Salary System

The *ABS Certified Agreement 2003–2006* outlines the salary arrangements for ABS employees effective during 2005–06.

In 2005–06, salary increases for APS1 to EL2 employees were paid on 14 July 2005, with two components to the salary increases:

- a general increase of three per cent
- a performance based increase of:
 - 1.5 times the general salary increase, for those employees rated Fully Effective
 - 2.0 times the general salary increase, for those employees rated Outstanding.

In July 2005, the minimum and maximum amounts of the salary ranges were increased by three per cent so they were more closely aligned with those operating in other Australian Public Service agencies.

In addition to increases in base salary, provisions were made for APS1 to EL2 employees rated as outstanding, and whose salary was very close to the maximum of the current range or within \$500 from the maximum of the current range, to be moved to the maximum of the new range. In addition, they were paid a one-off lump sum bonus, the greater of 1 per cent of their current salary less the difference between their current salary and the top of the current range, or \$500 less the difference between their current salary and the top of the current range.

Under this process, during 2005-06, the total amount paid as one-off lump sum bonus payments was \$97,381 to 185 employees.

From 6 April 2006, the EL2 salary range bandwidth was reduced from 14% to 10% by increasing the minimum salary point. EL2 employees' salaries were moved to the same relative positions along the reduced range. Also from 6 April 2006 a one-off adjustment was made to the salary ranges of APS4 to EL2 employees to bring ABS salary ranges closer to the APS median ranges.

Table 19.4 shows the performance pay component of the salary increases paid in 2005-06.

Table 19.4: Performance based salary increments by level (2005-2006)

Classification	Number	Aggregate (\$)	Average (\$)
<i>Australian Public Service (APS) level</i>			
APS1	14	6,872	491
APS2	38	10,518	277
APS3	273	154,547	566
APS4	471	316,019	671
APS5	521	427,349	820
APS6	706	612,982	868
<i>Executive Officer Level (EL)</i>			
EL1	432	370,211	857
EL2	162	213,080	1,315
<i>Senior Executive Service (SES) level</i>			
SES1	31	78,342	2,527
SES2 and 3	7	23,257	3,322
Total	2,655	2,213,177	

n.a. Not applicable.

Reward and Recognition

The ABS operates a Reward and Recognition Scheme to recognise exceptional one-off achievements by individuals and work groups. Rewards may be made in the form of certificates, hospitality (such as work group lunches), prepaid vouchers and cash bonuses. The emphasis is on rewarding and recognising work groups. Total ABS expenditure for the scheme in 2005-06 was \$117,469.93.

Learning and Development

The objective of learning and development activities is to ensure that the ABS has the organisational capability to respond to business challenges both now and in the future. In line with this objective, there has been a significant increase in ABS staff training attendance over the past 12 months, with average training days per employee increasing from 4.8 days in 2004/2005 to 6.2 days in 2005/2006.

In line with learning and development objectives, a capability framework has been developed that describes the skills, behaviours, knowledge and attributes required of all employees in the ABS. This includes ABS-wide as well as job specific capabilities. The framework has improved understanding of learning needs, and access to learning. It makes a significant contribution to workforce capability profiling and planning. Based on the capability framework, this Organisational, People and Learning System (OPALS) was launched in 2005/06. This system allows for improved analysis of development needs across the ABS and is being used to develop individual and divisional training programs for the year ahead.

There has been substantial effort made to improve both the range and relevance of learning activities provided to ABS employees, particularly in the areas of statistical, leadership and management training. The suite of learning and development activities has expanded to include a greater emphasis on e-learning as well as a revised Strategic Management Program (for executive level staff) and increased delivery of other high-demand programs. In addition, the relationship between the Learning and Development area and other areas of the ABS has been further strengthened through the introduction of learning and development account managers.

Table 19.5 shows the number of staff who attended training throughout 2005–06.

Table 19.5: ABS staff training (a)

	Total ABS operative staff (b)	Attendance days	Average training days
2002–03	2,909	14,797	5.1
2003–04	2,800	10,431	3.7
2004–05	2,630	12,562	4.8
2005–06	2,865	17,822	6.2

(a) Excludes on-the-job training.

(b) Comprises full time and part time staff at their full time equivalent.

In relation to statistical training conducted through the ABS' National Statistical Training Institute (NSTI), there has been an increase in the number of training programs scheduled for external clients as well as improved information on the ABS internet site for potential clients. Further information on external training days is detailed in chapter 11.

The ABS also supports the development of statistical skills by conducting a scholarship program for university students studying mathematics/statistics. The program provides for approximately 16 scholarships at an annual cost of \$64,000 and currently operates at four Australian universities (the Australian National University, the University of Wollongong, the University of Queensland and Adelaide University).

Occupational Health and Safety

The ABS is committed to providing and maintaining a safe and healthy workplace, and meeting its responsibilities under the *Occupational Health and Safety (Commonwealth Employment) Act 1991* (OHS (CE) Act). Demonstrating this commitment, the Australian Statistician signed the ABS Occupational Health and Safety (OHS) Policy and Agreement, which provides the framework for OHS in the ABS, and a Statement of Commitment with Comcare that aims to significantly improve OHS outcomes by 2012.

A dedicated section in the ABS' central office, complemented by representatives in all regional offices, ensures the requirements of the OHS (CE) Act and the *Safety, Rehabilitation and Compensation Act 1988* are observed. A network of OHS committees is the vehicle for consultation on OHS issues affecting staff.

During 2005–06, 41 employees were selected or elected as Health and Safety Representatives (HSRs) under the OHS (CE) Act with most receiving training during the year.

There were 15 notifiable accidents reported to Comcare in 2005–06.

Investigations

During 2005–06 there were no Comcare OHS investigations undertaken in the ABS.

Injuries and Illness

During 2005–06, the ABS invested in a risk management approach to the prevention of illness and injuries, which has resulted in a substantial reduction in the incidence of workplace injuries. Key features of this approach included: a national workplace inspection program involving OHS inspections of all ABS workplaces; increased employee awareness and compliance in reporting of hazards in the workplace; the investigation of accidents, incidents and near misses in the workplace; and immediate preventative interventions to address pain, discomfort or other signs of potential injury that are reported by employees.

Table 19.6 details a comparison of workers' compensation claims for the periods 2002–03 to 2005–06.

Table 19.6: Workplace Injuries and Costs

Year	Claim Incidence
2002–03	116
2003–04	115
2004–05	98
2005–06	68

Rehabilitation

The ABS institutes early intervention and rehabilitation in both compensable and non-compensable cases. National awareness training for employees and managers, complemented by ongoing training for ABS rehabilitation case managers and OHS Coordinators, was held during the year to enhance rehabilitation performance at the ABS.

Comcare Premiums

Comcare provided notification that the ABS workers' compensation premium for 2006–07 has been set at 1.69 per cent of total salary (including GST). Improved injury prevention and management strategies including a high priority on early intervention has resulted in a reduction in the 2006–07 premium by nearly \$900,000.

Table 19.7 provides details of the ABS and the agency pool average premium rate.

Table 19.7: Comcare workers' compensation premium rate (% of wage and salary expenditure)

	2003–04	2004–05	2005–06	2006–07
ABS	1.33	1.76	1.88	1.69
Agency pool average	1.43	1.67	1.77	1.77

Achievements

Measures taken to ensure the health, safety and welfare of employees during 2005–06 included:

- education and awareness sessions for employees and managers on their OHS responsibilities, preventing injuries, and OHS risk management
- the implementation of an annual National Workplace Inspection Program to identify hazards and assess and minimise identified risks to ABS staff and that also sets the benchmark for annual inspections
- the development and launch of systems to promote early intervention and improve the management of rehabilitation in the ABS
- the continued promotion of health and fitness across the ABS, and
- the continued enhancement and development of the ABS OHS policy framework.

Chapter 20

Management of information technology

Information Technology is an integral part of the ABS. The Technology Services Division (TSD) serves the ABS with high-quality information and technology leadership, and supports the organisation in providing an effective statistical service. The ABS leverages advances in information technology and business process improvement techniques to enhance the capability, efficiency and effectiveness of the organisation. A nationwide computing and communications infrastructure supports the ABS in all its locations. Close alignment between TSD and the business areas is a strong focus of our organisational arrangements.

Under the guidance of the Information Resource Management Committee (see chapter 18), the ABS has continued to cost effectively manage information technology facilities to:

- enhance ABS capacity to respond to new demand
- support increased access to statistics
- ensure the security of sensitive data and statistics
- enhance productivity by fostering effective use of the IT environment
- support innovative and productive ways of working, and
- maintain security vigilance for the ABS and its environment.

There have been a number of key achievements relating to the Census of Population and Housing during 2005-06:

- development of the eCensus, in partnership with IBM, which will allow people to complete their 2006 Census online
- use of online facilities for recruitment of 30,000 people around the country
- introduction of SMS and voice technology to communicate with the national Census team
- implementation of improved database technology to speed the processing and release of the data
- utilisation of new web based dissemination facilities for accessing and using the results from the 2006 Census.

The ABS also deployed a demonstration National Data Network in partnership with a number of other agencies. The National Data Network is a platform for sharing and integrating statistical data relevant to policy and research. It uses open source technology and approaches to maximise opportunities for collaborative development. More information can be found in chapter 11.

A new Business Process Management Framework has been introduced by the ABS and it is being used to identify and implement improvements in processing both economic and population statistics. New approaches to working with data providers have also been implemented with the following features:

- improved systems for coordinating contact
- more sophisticated telephony management
- enhanced data transformation services
- improved systems for interviewers.

The ABS has also developed a more integrated system for household surveys to streamline the development and processing of surveys.

Technology has been implemented to automate statistical techniques for editing, estimation and imputation. These facilities allow the ABS to use common and proven methodological approaches across different areas of statistics and to measure and improve quality. The ABS has also expanded the remote access data laboratory service, which allows approved researchers to submit requests for analyses of ABS data.

Chapter 21

Management of assets

Purchasing

Procurement in the ABS is coordinated through a central area that provides procurement services and contract management support to the whole organisation. Centralisation of skills and support ensures that all areas of the ABS have access to expertise to ensure it uses procurement methods consistent with Australian Government and ABS procurement policies to achieve value for money when acquiring goods and services.

Asset Management

Principles

The ABS' approach to asset management encompasses the following principles:

- asset management activities are undertaken within an integrated government asset management framework
- service delivery needs guide asset management practices and decisions
- asset planning and management are integrated with corporate and business plans as well as budgetary and reporting processes
- capital expenditure decisions are based on evaluations of alternatives that take into account full life cycle costs, benefits and risks of assets
- ownership, control, accountability, and reporting requirements for assets are established, clearly communicated, and implemented.

Strategic Issues

The major strategic issue with respect to ABS asset management is the continued effective management of its information and technology assets.

The current strategies to manage this investment are:

- strategic direction and oversight by a senior executive committee
- annual development and quarterly monitoring of corporate information technology budget and work program
- enhancement and/or replacement of existing software and hardware, on a rolling program, where justified by business demands
- projects involving information technology use the ABS project management framework and governance arrangements
- active internal auditing program
- internal cost recovery to ensure that full costs are attributed and balanced against benefits.

Asset Measurement

The ABS maintains an asset register to address management, statutory reporting and user requirements.

The ABS' assets are an integral element in the conduct of its business, and are part of the combination of resources required to enable cost effective delivery of services.

The asset register of the ABS underpins planning policies, analysis of financial programs, capitalisation, and reviews of performance against defined objectives.

For recognition as an asset, the ABS has an expenditure capitalisation threshold of \$2,000 for general assets and \$1,000 for information and technology assets including software.

Assets expenditure greater than or equal to these amounts are capitalised and recorded on the assets register.

Purchasing and competitive tendering and contracting

The ABS undertakes a wide variety of procurement and contracting activities, with the majority of purchases being classed as low value and low complexity.

The ABS conducts its procurement and contracting activities in accordance with its Chief Executive Instructions and the Commonwealth Procurement Guidelines. The ABS advertises an annual procurement plan on Austender, and the plan is reviewed and updated quarterly. ABS has a centralised area of expertise which provides procurement and contracting support to operational areas and provides direct support for more complex procurement projects. Information on procurement policy and practices is disseminated to staff through an internal procurement portal

Through the use of efficient processes and effective application of the ABS and Australian Government policies and principles, the ABS is satisfied that its approach to market testing and contracting is highly effective, resulting in value for money outcomes for the ABS. The ABS continues to invest in developing procurement skills and reviewing processes to ensure they remain efficient and contribute to value for money outcomes.

The ABS has not entered into any competitive tendering and contracting activities during the 2005/06 financial year.

Exempt contracts

The ABS has not exempted any contracts from advertising under the *Freedom of Information Act 1982* during 2005/06 Financial Year.

Chapter 22

Social justice and equity

The ABS support for the *Charter for Public Service in a Culturally Diverse Society* is demonstrated primarily through the provision of statistical information on specific population groups. This information is available to government and community groups and assists them to develop and monitor relevant fields, and by taking action to overcome linguistic and cultural barriers in the collection of data.

The ABS work program takes account of the Charter principles, and meets government needs for information to support social justice policies, by identifying specific population groups of policy interest in censuses and surveys concerned with various aspects of social wellbeing. Such population groups include Aboriginal and Torres Strait Islander Australians, migrants, people with disabilities, unemployed people, older Australians, women and children. During 2005–06, the ABS continued to provide data on population, families, health and welfare, education, employment, unemployment, underemployment, and other topics relating to labour force participation, earnings and income, housing and recorded crime and justice administration.

In 2005–06, the ABS released a range of statistical publications relevant to social justice and equity. Continuing its regular contribution to this area was *Australian Social Trends* (cat. no. 4102.0), an annual publication drawing on the ABS and other official statistics to inform on social conditions and wellbeing in Australia.

Findings from the first National Aboriginal and Torres Strait Islander Health Survey, conducted in 2004–05 were published in April 2006. The survey is part of the ongoing ABS Indigenous Australian household survey program and is specifically designed to address Aboriginal and Torres Strait Islander health issues. It comprises a much larger sample (approximately 10,000 people) than previous Aboriginal and Torres Strait Islander supplements to the National Health Survey. The survey collected information about a range of health issues, including health status, long-term health conditions, risk factors, health-related actions, and women's health. *National Aboriginal and Torres Strait Islander Health Survey, 2004–05* (cat. no. 4715.0) presents summary results at both the national and state/territory levels and by remoteness categories. It also presents trends in Indigenous health over time and comparisons of the health characteristics of Indigenous Australians and non-Indigenous people.

Comprehensive ABS data on the wealth of households across Australia was collected for the first time in the 2003–04 Survey of Income and Housing, and *Household Wealth and Wealth Distribution, 2003–04* (cat. no. 6554.0) was released in April 2006. The publication presents estimates of household wealth, classified by various characteristics, including summary measures of the distribution of household net worth in Australia. Information about wealth and selected assets and liabilities are presented for different types of household composition, income, size and other characteristics.

The field phase of the 2005–06 Personal Safety Survey was conducted from August to December 2005. This survey collected data on people's safety at home and in the community and, in particular, on the nature and extent of violence against women and men in Australia. When published, the data will provide information to inform public debate about violence

against men and women. It will also inform the further development and evaluation of policies and programs aimed at prevention and response to violence. The results will be published in August 2006.

New questions about unpaid work and need for assistance have been introduced for the 2006 Census. The unpaid work questions cover unpaid domestic work, unpaid care for someone due to a disability, long-term illness or old age, unpaid child care, and voluntary work. These questions will assist in understanding the contribution of unpaid work to Australian society. They will help in the planning of local facilities and services, such as day care and occasional care, and in the provision of information and support to carers. The questions on need for assistance aim to measure the number of people who need help with everyday activities such as self care, getting out of bed or moving around the home, and communicating with others. Understanding the number of people requiring assistance or supervision in these areas will provide a picture of the level of assistance needed, and will assist in the planning of local facilities and services.

Chapter 23

Access for people with disabilities

Commonwealth Disability Strategy

There are many types of disability and people may have disabilities as a result of accident, illness or genetic disorder. Under the Commonwealth Disability Strategy framework, the ABS has developed the ABS Disability Action Plan as a public statement of commitment to:

- access to ABS products and services for clients with disabilities
- equal employment opportunity for people with disabilities.

The Disability Action Plan consolidates policies and programs and is a mechanism to assist in the prevention of discrimination on the basis of disability. The plan includes a checklist to assist all ABS employees prevent disability discrimination.

This section assesses the ABS' performance against the indicators set out in the Commonwealth Disability Strategy.

Table 23.1: Commonwealth Disability Strategy – Provider Role

Performance Indicator	Assessment
1. Providers have established mechanisms for quality improvement and assurance	<p>The ABS operates in accordance with the Australian Government Information Management Office guidelines relating to accessibility for visually impaired users and is working to ensure that the ABS web site meets the requirements of the World Wide Web Consortium's (W3C) Web Content Accessibility Guidelines.</p> <p>The ABS is committed to the development of a web site that is accessible to people with vision impairment. However, due to technological limitations, it is not possible to make the web site entirely accessible in a cost effective manner. This limitation means that some tables, products or parts of the web site may be less accessible to some visually impaired users.</p> <p>Where any of the web products are not suitably accessible, the ABS will make arrangements for Vision Australia to translate the product into a more appropriate format. This service is provided at no additional cost to the user.</p>
2. Providers have an established service charter that specifies the roles of the provider and consumer and service standards which address accessibility for people with disabilities	<p>The <i>Client Services Charter</i> describes the relationship between the ABS and users of its products and services.</p> <p>A free service to convert data files into a suitable format is available for people with vision impairment.</p>
3. Complaints/grievance mechanisms, including access to external mechanisms, in place to address concerns raised about performance	<p>The <i>Client Services Charter</i> outlines the complaints and grievance mechanisms in place to address concerns about the ABS' performance providing services to people with disabilities.</p>

Improving access to the Census

ABS Media release on 30 June 2006

People with a print or language disability will have better access than ever before to the Census.

The Australian Bureau of Statistics, working in cooperation with the Human Rights and Equal Opportunity Commission, has announced initiatives which will make it easier for people with a disability to access information about the Census and to fill in Census forms.

“The ABS is committed to communicating effectively with householders with a disability,” the Head of Census Paul Williams said.

The ABS will provide information on the Census in formats that meet the needs of individuals with a print, language or hearing disability/impairment. The Census will be held on 8 August this year.

The Australian Electoral Commission and the ABS Statistical Publishing Development Team have been consulted for advice to assist with the development of this strategy. Vision Australia helped deliver the strategy through advice and testing of the web forms.

Advice has also been received from Better Hearing Australia, the Victorian Deaf Society and the Australian Captions Centre to better understand the needs of the hearing impaired community.

The eCensus option will allow the Census form to be filled out online and independently by people with a print disability. It is usable with the screen readers JAWS and Windows Eyes. These screen readers verbally reproduce what appears on a computer screen.

This initiative has been developed in consultations with Vision Australia and Blind Citizens Australia. It has been extensively field tested. Supporting material is also available in formats such as Braille and large print.

In addition print alternative formats of the Census guide and Census form will be available on request.

The ABS is determined that everyone has the opportunity to participate in the Census of Population and Housing on 8 August.

Table 23.2: Commonwealth Disability Strategy – Employer Role

Performance Indicator	Assessment
1. Employment policies, procedures and practices comply with the requirements of the <i>Disability Discrimination Act 1992</i>	<p>All ABS employment policies, procedures and practices have been developed in line with the Australian Public Service Values and comply with the requirements of the <i>Disability Discrimination Act 1992</i>. The principles of the <i>Disability Discrimination Act 1992</i>, in terms of eliminating discrimination, promoting equity and responding to the diverse needs of the Australian community, are values upheld in the ABS Corporate Plan, the ABS Workplace Diversity Program and the ABS Certified Agreement.</p> <p>ABS policies produced specifically to comply with the <i>Disability Discrimination Act 1992</i> are the Reasonable Workplace Adjustment Guidelines and the Disability Action Plan.</p>
2. Recruitment information for potential job applicants is available in accessible formats on request	<p>ABS job vacancies are advertised in the Public Service Gazette and on the ABS web site.</p> <p>The ABS web site provides recruitment material and corporate information for potential applicants in RDF and PDF formats. The ABS Application Cover Sheet, which applicants are required to return with their applications, contains provisions for requesting any additional requirements in the event of interviews such as interpreters and other aids.</p>
3. Agency recruiters and manager apply the principle of 'reasonable adjustment'	<p>ABS corporate manuals and workplace diversity databases have information on reasonable adjustment and the selection process. Selection panels are made aware of this information and the processes for its application.</p> <p>Information gathered from the ABS Application Cover Sheet enables the ABS selection panel to seek further information with regard to possible reasonable adjustment requirements for the interview situation.</p> <p>The Occupational Health and Safety representatives undertake a workplace assessment to assess any special needs, and to discuss and assist in implementing, as appropriate, reasonable adjustment strategies with the relevant supervisor on commencement of the employee at the ABS.</p>
4/5. Training and development programs consider the needs of staff with disabilities and include information on disability issues as they relate to the content of the program	<p>The ABS' Learning and Development programs take into consideration any special needs of employees. In accordance with the disability strategy, all training and development activities are: learner centred; designed using an instructional design phase that considers the diverse needs and learning styles of trainees; delivered and event managed with activities that provide for the reasonable adjustment requirements of the trainees, such as specific hearing, language/translator and mobility issues; and designed to continue the work with specific components on disability and reasonable adjustment in management and leadership development aspects of programs.</p>
6. Complaints/grievance mechanisms, including access to external mechanisms, in place to address issues and concerns raised by staff	<p>The ABS has several mechanisms in place to assist all ABS employees to resolve issues. These include support networks to assist staff and a well defined process to internally resolve workplace issues. The ABS also provides information to employees about external appeal mechanisms.</p> <p>In addition to more formal mechanisms set out in the <i>Public Service Act 1999</i>, the ABS has agreed internal procedures for resolving workplace issues which have been established under the <i>ABS Certified Agreement 2006-2009</i>.</p>

Chapter 24

Ecological and environmental responsibility

The *Environment Protection and Biodiversity Conservation Act 1999* requires agencies to report on aspects of its performance as it relates to ecologically sustainable development. The ABS has two key roles in respect of this issue. The first of these is in relation to the ABS' responsibility for providing statistics on the environment and environmental issues to enable informed decision making. The second role is in respect of ABS operations and its impact on the environment, and the steps being taken by the ABS to minimise that impact.

The ABS response to the five components of sub-section 516A(6) as required by the *Environment Protection and Biodiversity Conservation Act 1999* is described below.

Table 24.1: Assessment against components of ecological and environmental responsibility

Component	Assessment
[a] How the activities of the organisation, and the administration of legislation by the organisation, accord with the principles of ecologically sustainable development	<p>The ABS charter is to provide a high quality statistical service to the government and the community. The ABS operates primarily in an office based environment and is progressively moving from paper to electronic products.</p> <p>The ABS has reduced paper consumption by increasing the number of publications available electronically. There has been a 30 per cent decrease in the number of publication titles printed, and a 40 per cent decrease in the number of publication copies printed, between 2004–05 and 2005–06. The availability of free publications on the ABS web site has resulted in a further reduction over the 2003–04 and 2004–05 figures.</p> <p>Computer assisted interviewing which was fully implemented by August 2004, has eliminated paper questionnaires in the Population Survey Operations area. It is estimated that this has led to a reduction in use of approximately 7.2 million pages of high quality A4 paper.</p> <p>From 1 January 2006 ABS ceased creating paper records of its general business activities, except financial and personnel records, and primarily manages its business records by digital recordkeeping. To assist with the management of these records, the ABS has developed a Knowledge Framework and is in the process of configuring its technologies to facilitate automatic recordkeeping. ABS' workgroup databases already include these automatic recordkeeping facilities.</p> <p>In most procurement activities, the ABS has incorporated environmental clauses as part of the tender and evaluation process. Environmental considerations are also incorporated into the market testing process for new leases.</p>

Component	Assessment
(b) How the outcomes specified in a relevant Appropriations Act contribute to ecologically sustainable development	<p>The ABS receives appropriation for the purpose of informing the government on social, economic and environmental matters which are integrated into government policy.</p> <p>The environment component of the ABS Economic Statistics program collects and publishes information about environment and energy statistics, including environment accounts. The component is involved in the coordination of data collection, research and analysis and implementing international environmental accounting frameworks.</p>
	<p>During 2005–06 the ABS released a range of publications relevant to environmental issues. These included:</p>
	<ul style="list-style-type: none"> • <i>Environmental Issues: People's Views and Practices</i> (cat. no. 4602.0) • <i>Water Use on Australian Farms 2003–04</i> (cat. no. 4618.0) • <i>Land Management: Fitzroy and Livingstone Shires Queensland, 2004–05</i> • <i>Land Management: Eurobodalla Shire NSW, 2003–04</i> • <i>Australian Social Trends</i> (cat. no. 4102.0) • <i>Measures of Australia's Progress</i> (cat. no. 1370.0) • <i>Year Book Australia</i> (cat. no. 1301.0)
	<p>During 2005–06 the ABS developed and despatched surveys of natural resource management activities of farmers and on water management by the water supply industry. The results of these surveys will be published by the end of 2006.</p>
(c) Effect of the organisation's activities on the environment	<p>The operation of the ABS contributes to a range of impacts on the environment through its use of electricity, petrol, water, paper and other materials consumed and through its generation of waste.</p>
(d) Measures being taken by the organisation to minimise the impact of its activities on the environment	<p>The ABS is implementing measures to minimise the effect of its operations on the environment by:</p> <ul style="list-style-type: none"> • reducing paper consumption by increasing the number of publications available electronically, introducing digital recordkeeping, and computer assisted interviewing • ABS energy per person remaining less than 10,000 MJ consistent with the Australian Greenhouse Office energy target of 10,000MJ or less per person • heavily weighting energy ratings when making purchasing decisions for whitegoods • where possible, using remanufactured and recycled cartridges for photocopiers, faxes and printers and recycling all ABS used printer cartridges • where possible, consuming 'green energy' (10 per cent of energy consumed in ABS Central Office is 'green energy') • considering the Greenhouse Vehicle Guide (GVG) when purchasing government vehicles. Approximately 49.2 per cent of ABS fleet vehicles has a GVG score of 10.5 or better as at the end of the 2005–06 financial year. The ABS has positively contributed to the Australian Government reaching its target of 28 per cent of vehicles with a GVG rating better than 10 by 2005

Component	Assessment
(d) Measures being taken by the organisation to minimise the impact of its activities on the environment <i>continued</i>	<ul style="list-style-type: none"> recycling paper in all offices and actively recycling bottles, cans and cartons in ABS Central Office using paper with a 10 per cent recycled content in ABS Central Office ensuring appropriate facilities, including storage, for staff wishing to use bicycles to travel to and from work dual flush toilets are installed in Central Office to reduce water consumption.
(e) Mechanisms, if any, for reviewing and increasing the effectiveness of these measures	<p>The ABS conducted energy audits in three offices during 2005–06 – Central Office, New South Wales Office, and Western Australia Office. Further energy audits will be undertaken next financial year.</p>

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AUSTRALIAN BUREAU OF STATISTICS

SECTION VII

FINANCIAL STATEMENTS

VII

Chapter 25

FINANCIAL STATEMENTS



INDEPENDENT AUDIT REPORT

To the Treasurer

Matters relating to the Electronic Presentation of the Audited Financial Statements

This audit report relates to the financial statements published in both the annual report and on the website of the Australian Bureau of Statistics for the year ended 30 June 2006. The Australian Statistician is responsible for the integrity of both the annual report and its web site.

The audit report refers only to the financial statements, schedules and notes named below. It does not provide an opinion on any other information which may have been hyperlinked to/from the audited financial statements.

If users of this report are concerned with the inherent risks arising from electronic data communications they are advised to refer to the hard copy of the audited financial statements in the Australian Bureau of Statistics' annual report.

Scope

The financial statements and Chief Executive's responsibility

The financial statements comprise:

- Statement by the Australian Statistician and the Chief Financial Officer;
- Income Statement, Balance Sheet and Cash Flow Statement;
- Statement of Changes in Equity;
- Schedules of Commitments and Contingencies; and
- Notes to and forming part of the Financial Statements

of the Australian Bureau of Statistics for the year ended 30 June 2006.

The Australian Statistician is responsible for preparing financial statements that give a true and fair presentation of the financial position and performance of the Australian Bureau of Statistics, and that comply with the Finance Minister's Orders made under the *Financial Management and Accountability Act 1997*, Accounting Standards and other mandatory financial reporting requirements in Australia. The Australian Statistician is also responsible for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial statements.

Audit Approach

I have conducted an independent audit of the financial statements in order to express an opinion on them to you. My audit has been conducted in accordance with the Australian National Audit Office Auditing Standards, which incorporate the Australian Auditing and Assurance Standards, in order to provide reasonable assurance as to whether the financial statements are free of material misstatement. The nature of an audit is influenced by factors such as the use of professional judgment, selective testing, the inherent limitations of internal control, and the availability of persuasive, rather than conclusive, evidence. Therefore, an audit cannot guarantee that all material misstatements have been detected.

While the effectiveness of management's internal controls over financial reporting were considered when determining the nature and extent of audit procedures, the audit was not designed to provide assurance on internal controls.

I have performed procedures to assess whether, in all material respects, the financial statements present fairly, in accordance with the Finance Minister's Orders made under the *Financial Management and Accountability Act 1997*, Accounting Standards and other mandatory financial reporting requirements in Australia, a view which is consistent with my understanding of the Australian Bureau of Statistics' financial position, and of its financial performance and cash flows.

The audit opinion is formed on the basis of these procedures, which included:

- examining, on a test basis, information to provide evidence supporting the amounts and disclosures in the financial statements; and
- assessing the appropriateness of the accounting policies and disclosures used, and the reasonableness of significant accounting estimates made by the Australian Statistician.

Independence

In conducting the audit, I have followed the independence requirements of the Australian National Audit Office, which incorporate the ethical requirements of the Australian accounting profession.

Audit Opinion

In my opinion, the financial statements of the Australian Bureau of Statistics:

- (a) have been prepared in accordance with the Finance Minister's Orders made under the *Financial Management and Accountability Act 1997*; and
- (b) give a true and fair view of the Australian Bureau of Statistics' financial position as at 30 June 2006 and of its performance and cash flows for the year then ended, in accordance with:
 - (i) the matters required by the Finance Minister's Orders; and
 - (ii) applicable Accounting Standards and other mandatory financial reporting requirements in Australia.

Australian National Audit Office



Carla Jago
Executive Director

Delegate of the Auditor-General

Canberra
31 July 2006

**AUSTRALIAN BUREAU OF STATISTICS
STATEMENT BY THE AUSTRALIAN STATISTICIAN AND
CHIEF FINANCIAL OFFICER**

In our opinion, the attached financial statements for the year ended 30 June 2006 are based on properly maintained financial records and give a true and fair view of the matters required by the Finance Minister's Orders made under the *Financial Management and Accountability Act 1997*.



Dennis Trewin
Australian Statistician

28 July 2006



Mark Whybrow
Chief Financial Officer

28 July 2006

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AUSTRALIAN BUREAU OF STATISTICS

INCOME STATEMENT for the year ended 30 June 2006

	Notes	2006 \$'000	2005 \$'000
INCOME			
<i>Revenue</i>			
Revenues from Government	4A	318,622	269,855
Goods and services	4B	19,634	19,232
Other revenue		583	1,476
<i>Total revenue</i>		338,839	290,563
<i>Gains</i>			
Net gains from disposal of assets	4C	-	51
Other gains	4D	114	108
<i>Total gains</i>		114	159
TOTAL INCOME		338,953	290,722
EXPENSES			
Employees	5A	209,885	189,091
Suppliers	5B,2	99,135	74,959
Depreciation and amortisation	5C,2	28,713	24,956
Finance costs	5D,2	537	611
Write-down and impairment of assets	5E,2	67	40
Net losses from disposal of assets	4C	413	-
Other expenses		180	382
TOTAL EXPENSES		338,930	290,039
OPERATING RESULT	2	23	683

The above statement should be read in conjunction with the accompanying notes.

AUSTRALIAN BUREAU OF STATISTICS

BALANCE SHEET

as at 30 June 2006

	Notes	2006 \$'000	2005 \$'000
ASSETS			
Financial Assets			
Cash and cash equivalents	6A	8,816	9,514
Receivables	6B, 2	7,658	7,761
Accrued revenue		209	1,411
<i>Total Financial Assets</i>		<u>16,683</u>	<u>18,686</u>
Non-Financial Assets			
Infrastructure, plant and equipment	7A, 7B, 2	54,068	36,377
Intangibles	7C	91,985	86,147
Inventories	7D	56	21
Other non-financial assets	7E	7,905	7,610
<i>Total Non-Financial Assets</i>		<u>154,014</u>	<u>130,155</u>
TOTAL ASSETS		<u>170,697</u>	<u>148,841</u>
LIABILITIES			
Payables			
Suppliers	8A	10,888	8,891
Unearned revenue	8B	5,756	2,517
<i>Total Payables</i>		<u>16,644</u>	<u>11,408</u>
Interest Bearing Liabilities			
Loans	9A	7,585	8,847
Other interest bearing liabilities	9B, 2	21,011	13,925
<i>Total Interest Bearing Liabilities</i>		<u>28,596</u>	<u>22,772</u>
Provisions			
Employee provisions	10A	66,259	67,812
Other provisions	10B, 2	1,475	451
<i>Total Provisions</i>		<u>67,734</u>	<u>68,263</u>
TOTAL LIABILITIES		<u>112,974</u>	<u>102,443</u>
NET ASSETS		<u>57,723</u>	<u>46,398</u>
EQUITY			
Contributed equity		12,491	11,497
Reserves		16,370	6,062
Retained surpluses	2	28,862	28,839
TOTAL EQUITY		<u>57,723</u>	<u>46,398</u>
Current assets			
Non-current assets		21,556	22,823
Current liabilities		149,141	126,018
Non-current liabilities		78,239	78,304
		34,735	24,139

The above statement should be read in conjunction with the accompanying notes.

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AUSTRALIAN BUREAU OF STATISTICS

STATEMENT OF CASH FLOWS
for the year ended 30 June 2006

	Notes	2006 \$'000	2005 \$'000
OPERATING ACTIVITIES			
Cash received			
Goods and services		24,999	19,096
Appropriations		318,500	266,000
<i>Total cash received</i>		<u>343,499</u>	<u>285,096</u>
Cash used			
Employees		(211,511)	(191,875)
Suppliers		(93,990)	(64,627)
Financing costs		(514)	(645)
Net GST paid to ATO		(30)	(382)
<i>Total cash used</i>		<u>(306,045)</u>	<u>(257,529)</u>
Net cash from operating activities	11	<u>37,454</u>	<u>27,567</u>
INVESTING ACTIVITIES			
Cash received			
Proceeds from sales of property, plant and equipment		79	112
<i>Total cash received</i>		<u>79</u>	<u>112</u>
Cash used			
Purchase of property, plant and equipment		(20,118)	(8,854)
Purchase of intangibles		(21,294)	(20,170)
<i>Total cash used</i>		<u>(41,412)</u>	<u>(29,024)</u>
Net cash (used by) investing activities		<u>(41,333)</u>	<u>(28,912)</u>
FINANCING ACTIVITIES			
Cash received			
Capital injections		994	-
Lease incentives received		3,448	-
<i>Total cash received</i>		<u>4,442</u>	<u>-</u>
Cash used			
Repayment of debt		(1,261)	(1,186)
Repayment of lease liability		-	(710)
<i>Total cash used</i>		<u>(1,261)</u>	<u>(1,896)</u>
Net cash from or (used by) financing activities		<u>3,181</u>	<u>(1,896)</u>
Net increase or (decrease) in cash held		<u>(698)</u>	<u>(3,241)</u>
Cash at the beginning of the reporting period		<u>9,514</u>	<u>12,755</u>
Cash at the end of the reporting period	6A	<u>8,816</u>	<u>9,514</u>

The above statement should be read in conjunction with the accompanying notes.

AUSTRALIAN BUREAU OF STATISTICS

STATEMENT of CHANGES in EQUITY

for the year ended 30 June 2006

	Accumulated Results		Asset Revaluation Reserve		Contributed Equity/Capital		Total Equity	
	2006	2005	2006	2005	2006	2005	\$'000	\$'000
Opening Balance at 1 July	28,839	28,156	6,062	7,519	11,497	11,497	46,398	47,172
Adjustment for errors	-	-	-	-	-	-	-	-
Adjustment for changes in Accounting policies	-	-	-	-	-	-	-	-
Adjusted Opening Balance at 1 July	28,839	28,156	6,062	7,519	11,497	11,497	46,398	47,172
Income and Expense								
Revaluation adjustment	-	-	10,308	(1,457)	-	-	10,308	(1,457)
Subtotal income and expenses recognised directly in equity			10,308	(1,457)	-	-	10,308	(1,457)
Net Operating Result	23	683	-	-	-	-	23	683
Total income and expenses	23	683	10,308	(1,457)	-	-	10,331	(774)
Transactions with Owners								
<i>Distributions to owners</i>								
Returns on Capital	-	-	-	-	-	-	-	-
<i>Contributions by Owners</i>								
Appropriation (equity injection)	-	-	-	-	994	-	994	-
Sub-total Transactions with Owners					994	-	994	-
Transfers between equity components					-	-	-	-
Closing balance at 30 June	28,862	28,839	16,370	6,062	12,491	11,497	57,723	46,398

The above statement should be read in conjunction with the accompanying notes.

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AUSTRALIAN BUREAU OF STATISTICS

SCHEDULE OF COMMITMENTS

as at 30 June 2006

	2006 \$'000	2005 \$'000
BY TYPE		
Capital Commitments		
Infrastructure, plant and equipment ¹	1,601	2,343
Total Capital Commitments	<u>1,601</u>	<u>2,343</u>
Other Commitments		
Operating leases ²	231,851	262,774
Other commitments ³	14,435	18,356
Total Other Commitments	<u>246,286</u>	<u>281,130</u>
Commitments Receivable	(21,847)	(25,669)
Net Commitments by type	<u>226,040</u>	<u>257,804</u>
BY MATURITY		
Capital Commitments		
One year or less	1,601	2,343
Total Capital Commitments	<u>1,601</u>	<u>2,343</u>
Operating Lease Commitments		
One year or less	28,455	28,055
From one to five years	91,950	97,897
Over five years	111,446	136,822
Total Operating Lease Commitments	<u>231,851</u>	<u>262,774</u>
Other Commitments		
One year or less	8,190	10,771
From one to five years	6,245	5,886
Over five years	-	1,699
Total Other Commitments	<u>14,435</u>	<u>18,356</u>
Commitments Receivable	(21,847)	(25,669)
Net Commitments by Maturity	<u>226,040</u>	<u>257,804</u>

NB: Commitments are GST inclusive where relevant.

¹ Plant and equipment commitments are primarily contracts for purchases of furniture and fittings for a new building.

² Operating leases included are effectively non-cancellable and comprise:

Nature of lease	General description of leasing arrangement
Leases for office accommodation	Lease payments are subject to annual increases in line with rental agreements. The initial periods of office accommodation leases are still current and each may be renewed for up to five years at the Australian Bureau of Statistics (ABS) option, following a once-off adjustment of rentals to current market levels.
Agreements for the provision of motor vehicles to senior executive officers	No contingent rentals exist. There are no renewal or purchase options available to the Agency.

³ Other commitments relate to future loan repayments to government for ABS House fitout and existing contractual obligations for the purchase of recurrent goods and services (eg cleaning, maintenance, printing and security contracts).

The above schedule should be read in conjunction with the accompanying notes.

AUSTRALIAN BUREAU OF STATISTICS

SCHEDULE OF CONTINGENCIES

as at 30 June 2006

Contingent liabilities	Guarantees		Claims for damages/costs		Total	
	2006 \$'000	2005 \$'000	2006 \$'000	2005 \$'000	2006 \$'000	2005 \$'000
Balance from previous period	-	-	4,987	5,176	4,987	5,176
New	-	-	-	296	-	296
Re-measurement	-	-	(1,000)	-	(1,000)	-
Liabilities crystallised	-	-	-	-	-	-
Obligations expired	-	-	-	(485)	-	(485)
<i>Total Contingent Liabilities</i>	<i>-</i>	<i>-</i>	<i>3,987</i>	<i>4,987</i>	<i>3,987</i>	<i>4,987</i>

The ABS currently has seven agreements for the leasing of premises which have clauses requiring the ABS to restore the premises to their original condition at the conclusion of the lease. The ABS has assessed the likelihood of economic loss under the makegood clauses on a lease by lease basis. As noted in Note 1.10, only two of these agreements meet the probability test of AASB 137 and the ABS has made a provision to reflect the present value of these obligations. The remaining five agreements are disclosed in the above note as contingent liabilities. The present value of these amounts has been obtained through valuation as at 30 June 2006.

Details of each class of contingent liabilities and assets, including those not included above because they cannot be quantified or are considered remote, are disclosed in Note 12: Contingent Liabilities.

The ABS does not have any contingent assets as at 30 June 2006.

The above schedule should be read in conjunction with the accompanying notes.

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AUSTRALIAN BUREAU OF STATISTICS

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended 30 June 2006

- Note 1: Summary of Significant Accounting Policies
- Note 2: The impact of the transition to AEIFRS from previous AGAAP
- Note 3: Events Occurring after Reporting Date
- Note 4: Income
- Note 5: Operating Expenses
- Note 6: Financial Assets
- Note 7: Non-Financial Assets
- Note 8: Payables
- Note 9: Interest Bearing Liabilities
- Note 10: Provisions
- Note 11: Cash Flow Reconciliation
- Note 12: Contingent Liabilities and Assets
- Note 13: Executive Remuneration
- Note 14: Remuneration of Auditors
- Note 15: Average Staffing Levels
- Note 16: Financial Instruments
- Note 17: Appropriations
- Note 18: Special Accounts
- Note 19: Compensation and Debt Relief
- Note 20: Reporting of Outcomes

Note 1: Summary of Significant Accounting Policies

1.1 Objectives of the Australian Bureau of Statistics

The mission and outcome of the Australian Bureau of Statistics (ABS) is to assist and encourage informed decision making, research and discussion within governments and the community, by leading a high quality, objective and responsive national statistical service.

The ABS is structured to produce the aforementioned outcome through its Economic statistics and Population and Social statistics groups. Indirect costs for Support Services have been allocated to the Economic and Population and Social statistical areas in these Financial Statements.

ABS's assets, liabilities, revenues and expenses are those items that are controlled by the ABS and are used by the ABS to produce its outputs.

Administered items are those items that are controlled by the Government and managed or overseen by the ABS on behalf of the Government. The ABS does not administer any items on behalf of the Government.

Notes to and forming part of the Financial Statements

Further information on ABS outcomes and outputs can be found in this Annual Report.

The continued existence of the ABS in its present form, and with its present programs, is dependent on Government policy and on continuing appropriations by Parliament for the ABS' administration and programs.

1.2 Basis of Preparation of Financial Statements

The financial statements are required by section 49 of the *Financial Management and Accountability Act 1997* (FMA Act) and are a general purpose-financial report.

The statements have been prepared in accordance with:

- Finance Minister's Orders (*or FMOs, being the Financial Management and Accountability Orders (Financial Statements for reporting periods ending on or after 1 July 2005)*);
- Australian Accounting Standards issued by the Australian Accounting Standards Board that apply for the reporting period; and
- Interpretations issued by the AASB and Urgent Issues Group that apply for the reporting period.

This is the first financial report to be prepared under Australian Equivalents to International Financial Reporting Standards (AEIFRS). The impacts of adopting AEIFRS are disclosed in Note 2.

The Income Statement and Balance Sheet have been prepared on an accrual basis and are in accordance with historical cost convention, except for certain assets and liabilities, which as noted, are at fair value, or amortised cost. Except where stated, no allowance is made for the effect of changing prices on the results or the financial position.

The financial report is presented in Australian dollars and values are rounded to the nearest thousand dollars unless disclosure of the full amount is specifically required.

Unless alternative treatment is specifically required by an accounting standard, assets and liabilities are recognised in the Balance Sheet when and only when it is probable that future economic benefits will flow and the amounts of the assets or liabilities can be reliably measured. However, assets and liabilities arising under agreements equally proportionately unperformed are not recognised unless required by an Accounting Standard. Liabilities and assets that are unrecognised are reported in the Schedule of Commitments and the Schedule of Contingencies (other than unquantifiable or remote contingencies, which are reported at Note 12).

Revenues and expenses are recognised in the Income Statement when and only when the flow or consumption or loss of economic benefits has occurred and can be reliably measured.

Notes to and forming part of the Financial Statements**1.3 Significant Accounting Judgements and Estimates**

No accounting assumptions or estimates have been identified that have a significant risk of causing a material adjustment to carrying amounts of assets and liabilities within the next accounting period.

1.4 Statement of Compliance

The financial report complies with Australian Accounting Standards, which include Australian Equivalents to International Financial Reporting Standards (AEIFRS).

Australian Accounting Standards require ABS to disclose Australian Accounting Standards that have not been applied, for standards that have been issued but are not yet effective.

The AASB has issued amendments to existing standards, these amendments are denoted by year and then number, for example 2005-1 indicates amendment 1 issued in 2005.

The table below illustrates standards and amendments that will become effective for ABS in the future. The nature of the impending change within the table, has been out of necessity abbreviated and users should consult the full version available on the AASB's website to identify the full impact of the change. The expected impact on the financial report of adoption of these standards is based on ABS's initial assessment at this date, but may change. ABS intends to adopt all of the standards upon their application date.

Title	Standard affected	Application date*	Nature of impending change	Impact expected on financial report
2005-1	AASB 139	1 Jan 2006	Amends hedging requirements for foreign currency risk of a highly probable intra-group transaction.	No expected impact.
2005-4	AASB 139, AASB 132, AASB 1, AASB 1023 and AASB 1038	1 Jan 2006	Amends AASB 139, AASB 1023 and AASB 1038 to restrict the option to fair value through profit or loss and makes consequential amendments to AASB 1 and AASB 132.	No expected impact.
2005-5	AASB 1 and AASB 139	1 Jan 2006	Amends AASB 1 to allow an entity to determine whether an arrangement is, or contains, a lease.	No expected impact.
			Amends AASB 139 to scope out a contractual right to receive reimbursement (in accordance with AASB 137) in the form of cash.	

Australian Bureau of Statistics

Notes to and forming part of the Financial Statements

2005-6	AASB 3	1 Jan 2006	Amends the scope to exclude business combinations involving entities or businesses under common control.	No expected impact.
2005-9	AASB 4, AASB 1023, AASB 139 and AASB 132	1 Jan 2006	Amended standards in regards to financial guarantee contracts.	No expected impact.
2005-10	AASB 132, AASB 101, AASB 114, AASB 117, AASB 133, AASB 139, AASB 1, AASB 4, AASB 1023 and AASB 1038	1 Jan 2007	Amended requirements subsequent to the issuing of AASB 7.	No expected impact.
2006-1	AASB 121	31 Dec 2006	Changes in requirements for net investments in foreign subsidiaries depending on denominated currency.	No expected impact.
	AASB7 Financial Instruments: Disclosures	1 Jan 2007	Revise the disclosure requirements for financial instruments from AASB132 requirements.	No expected impact.

* Application date is for annual reporting periods beginning on or after the date shown

1.5 Revenue

Revenues from Government

Amounts appropriated for Departmental outputs appropriations for the year (adjusted for any formal additions and reductions) are recognised as revenue, except for certain amounts that relate to activities that are reciprocal in nature, in which case revenue is recognised only when it has been earned.

Amounts appropriated for departmental capital items are recognised directly in equity, to the extent that the appropriations have been received into the ABS's bank account or are entitled to be received by the ABS at year-end.

Appropriations receivable are recognised at their nominal amounts.

In 2005-2006 the ABS did not require or receive administered appropriations.

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Other Revenue

Sales of goods and services include revenue from the sale of publications and other products and the provision of statistical services. Revenue from the sale of goods is recognised when:

- The risks and rewards of ownership have been transferred to the buyer;
- The seller retains no managerial involvement nor effective control over the goods;
- The revenue and transaction costs incurred can be reliably measured; and
- It is probable that the economic benefits associated with the transaction will flow to the entity.

Revenue from rendering of services is recognised by reference to the stage of completion of contracts at the reporting date. The revenue is recognised when:

- The amount of revenue, stage of completion and transaction costs incurred can be reliably measured; and
- The probable economic benefits with the transaction will flow to the entity.

The stage of completion of contracts at the reporting date is determined by reference to the proportion that costs incurred to date bear to the estimated total costs of the transaction.

Receivables for goods and services, which have 30 day terms, are recognised at the nominal amounts due less any provision for bad and doubtful debts. Bad debts are written off during the year in which they are identified. Collectability of debts is reviewed at balance date. Provisions are made where collectability of the debt is no longer probable.

1.6 Gains

Resources Received Free of Charge

Services received free of charge are recognised as gains when and only when a fair value can be reliably determined and the services would have been purchased if they had not been donated. Use of those resources is recognised as an expense.

Contributions of assets at no cost of acquisition or for nominal consideration are recognised as gains at their fair value when the asset qualifies for recognition, unless received from another government agency as a consequence of a restructuring of administrative arrangements.

Other Gains

Gains from disposal of non-current assets are recognised when control of the asset has passed to the buyer.

1.7 Unearned Revenue

Unearned revenue includes revenue from subscriptions to statistical publications, provision of statistical consultancies and revenue from other agencies for statistical surveys. It is recognised on a proportional basis as the service is provided (Note 8B).

1.8 Transactions with the Government as Owner

Equity injections

Amounts appropriated which are designated as 'equity injections' for a year (less any formal reductions) are recognised directly in Contributed Equity in that year.

1.9 Employee Benefits

As required by the Finance Minister's Orders, ABS has early adopted AASB 119 Employee Benefits as issued in December 2004.

Liabilities for services rendered by employees are recognised at the reporting date to the extent that they have not been settled.

Liabilities for 'short term employee benefits' (as defined in AASB 119) and termination benefits due within twelve months of balance date are measured at their nominal amounts.

The nominal amount is calculated with regard to the rates expected to be paid on settlement of the liability.

All other employee benefit liabilities are measured as the present value of the estimated future cash outflows to be made in respect of services provided by employees up to the reporting date.

Leave

The liability for employee benefits includes provision for annual leave and long service leave. No provision has been made for sick leave as all sick leave is non-vesting and the average sick leave taken in future years by employees of the ABS is estimated to be less than the annual entitlement for sick leave.

The leave liabilities are calculated on the basis of employees' remuneration, including the ABS's employer superannuation contribution rates to the extent that the leave is likely to be taken during service rather than paid out on termination.

The liability for long service leave has been determined by reference to the work of an actuary as at 30 June 2006. The estimate of the present value of the liability takes into account attrition rates and pay increases through promotion and inflation.

Notes to and forming part of the Financial Statements

The employee entitlement provision includes superannuation on-costs payable to those employees who take their annual and long service leave prior to resignation or retirement. No superannuation is payable by the ABS when leave is cashed out on resignation or retirement.

Separation and Redundancy

Provision is made for separation and redundancy benefit payments where the ABS has formally identified positions as excess to requirements and a reliable estimate of the amount of the payments could be determined. The ABS has developed a detailed formal plan for the terminations and has offered severance packages to employees on a voluntary basis.

Superannuation

Staff of the ABS are members of the Commonwealth Superannuation Scheme (CSS), the Public Sector Superannuation Scheme (PSS) or the PSS accumulation plan (PSSap).

The CSS and PSS are defined benefit schemes for the Commonwealth. The PSSap is a defined contribution scheme.

The liability for defined benefits is recognised in the financial statements of the Australian Government and is settled by the Australian Government in due course.

The ABS makes employer contributions to the Australian Government at rates determined by an actuary to be sufficient to meet the cost to the Government of the superannuation entitlements of the ABS's employees.

From 1 July 2005, new employees are eligible to join the PSSap scheme.

In 2005-06 the ABS also made employer contributions to commercial accumulation superannuation funds as directed by its employees.

The liability for superannuation recognised as at 30 June represents outstanding contributions for the final fortnight of the year.

1.10 Provision for 'Makegood'

In accordance with AASB 137 Provisions, Contingent Liabilities and Contingent Assets, ABS recognises a provision for 'makegood' based on an assessment of the probability that they will be required to meet these obligations in the future. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the reporting date.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

1.11 Leases

A distinction is made between finance leases and operating leases. Finance leases effectively transfer from the lessor to the lessee substantially all of the risks and rewards incidental to ownership of leased non-current assets. An operating lease is a lease that is not a finance lease. In operating leases, the lessor effectively retains substantially all such risks and benefits.

Operating lease payments are expensed on a straight line basis which is representative of the pattern of benefits derived from the leased assets.

ABS has entered into a number of accommodation leases, which include lease incentives taking the form of 'free' leasehold improvements and/or rent holidays. Under UIG 115, all incentives in relation to operating leases are required to be classified as an integral part of the net consideration of the lease for the leased asset, irrespective of the incentive's nature, form or timing of payments.

Where a non-current asset is acquired by means of an incentive under an operating lease, the asset is capitalised at the fair value of the lease incentive at the inception of the contract and a liability recognised at the same time and for the same amount.

Where a non-current asset is acquired by means of a finance lease, the asset is capitalised at either the fair value of the lease property or, if lower, the present value of minimum lease payments at the inception of the contract and a liability recognised at the same time and for the same amount.

The discount rate used is the interest rate implicit in the lease. Leased assets are amortised over the period of the lease. Lease payments are allocated between the principal component and the interest expense.

1.12 Borrowing Costs

All borrowing costs are expensed as incurred.

1.13 Cash

Cash means notes and coins held and any deposits held at call with a bank or financial institution. Cash is recognised at its nominal amount.

1.14 Derecognition of Financial Assets and Liabilities

As prescribed in the Finance Minister's Orders, ABS has applied the option available under AASB 1 of adopting AASB 132 and 139 from 1 July 2005 rather than 1 July 2004.

Financial assets are derecognised when the contractual rights to the cash flows from the financial assets expire or the asset is transferred to another entity. In the case of a transfer to another entity, it is necessary that the risks and rewards of ownership are also transferred.

Notes to and forming part of the Financial Statements

Financial liabilities are derecognised when the obligation under the contract is discharged or cancelled or expires.

For the comparative year, financial assets were derecognised when the contractual right to receive cash no longer existed. Financial liabilities were derecognised when the contractual obligation to pay cash no longer existed.

1.15 Accrued Revenue

The ABS accrues revenue at the time that the goods are provided and/or the services are performed.

1.16 Interest Bearing Liabilities

Government loans are carried at the balance yet to be repaid. Interest is expensed as it accrues. Other interest bearing liabilities are predominantly lease incentives (refer Note 1.11).

1.17 Trade Creditors

Trade creditors and accruals are recognised at their nominal amounts, being the amounts at which the liabilities will be settled. Liabilities are recognised to the extent that the goods or services have been received (and irrespective of having been invoiced).

1.18 Acquisition of Assets

Assets are recorded at cost on acquisition except as stated below. The cost of acquisition includes the fair value of assets transferred in exchange and liabilities undertaken. Financial assets are initially measured at their fair value plus transaction costs where appropriate.

Assets acquired at no cost, or for nominal consideration, are initially recognised as assets and revenues at their fair value at the date of acquisition, unless acquired as a consequence of restructuring of administrative arrangements. In the latter case, assets are initially recognised as contributions by owners at the amounts at which they were recognised in the transferor agency's accounts immediately prior to the restructuring.

1.19 Contingent Liabilities and Assets

Contingent Liabilities and Assets are not recognised in the Balance Sheet but are discussed in the relevant schedules and notes. They may arise from uncertainty as to the existence of a liability or asset, or represent an existing liability or asset in respect of which settlement is not probable or the amount cannot be reliably measured. Remote contingencies are part of this disclosure. Where settlement becomes probable, a liability or asset is recognised. A liability or asset is recognised when its existence is confirmed by a future event, settlement becomes probable (virtually certain for assets) or reliable measurement becomes possible.

1.20 Impairment of Financial Assets

As prescribed in the Finance Minister's Orders, ABS has applied the option available under AASB 1 of adopting AASB 132 and 139 from 1 July 2005 rather than 1 July 2004.

Financial assets are assessed for impairment at each balance date.

Financial Assets held at Amortised Cost

If there is objective evidence that an impairment loss has been incurred for loans and receivables or held to maturity investments held at amortised cost, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the asset's original effective interest rate. The carrying amount is reduced by way of an allowance account. The loss is recognised in profit and loss.

Financial Assets held at Cost

If there is objective evidence that an impairment loss has been incurred on an unquoted equity instrument that is not carried at fair value because it cannot be reliably measured, or a derivative asset that is linked to and must be settled by delivery of such an unquoted equity instrument, the amount of the impairment loss is the difference between the carrying amount of the asset and the present value of the estimated future cash flows discounted at the current market rate for similar assets.

Available for Sale Financial Assets

If there is objective evidence that an impairment loss on an available for sale financial asset has been incurred, the amount of the difference between its cost, less principal repayments and amortisation, and its current fair value, less any impairment loss previously recognised in profit and loss, is transferred from equity to the profit and loss

Comparative Year

The above policies were not applied for the comparative year. For receivables, amounts were recognised and carried at original invoice amount less a provision for doubtful debts based on an estimate made when collection of the full amount was no longer probable. Bad debts were written off as incurred.

Other financial assets carried at cost which were not held to generate net cash inflows, were assessed for indicators of impairment. Where such indicators were found to exist, the recoverable amount of the assets was estimated and compared to the assets carrying amount and, if less, reduced to the carrying amount. The reduction was shown as an impairment loss.

Notes to and forming part of the Financial Statements**1.21 Infrastructure, Plant and Equipment***Asset Recognition Threshold*

Purchases of infrastructure, plant and equipment are recognised initially at cost in the Balance Sheet, except for purchases costing less than \$2,000 (\$1,000 for IT assets and purchased software, and all Internally Generated Software assets), which are expensed in the year of acquisition (other than where they form part of a group of similar items which are significant in total). Component items purchased separately but which are configured into larger items such as office work stations and personal computer workstations and associated software are considered to be depreciable assets if the aggregate cost is \$2,000 or more.

The initial cost of an asset includes an estimate of the cost of dismantling and removing the item and restoring the site on which it is located. This is particularly relevant to 'makegood' provisions in property leases taken up by ABS where there exists an obligation to restore the property to its original condition. These costs are included in the value of ABS's leasehold improvements with a corresponding provision for the 'makegood' taken up.

*Revaluations**Basis*

Infrastructure, plant and equipment are carried at fair value, being revalued with sufficient frequency such that the carrying amount of each asset class is not materially different, at reporting date, from its fair value. The regularity of independent valuations depends upon the volatility of movements in market values for the relevant assets. Valuations undertaken in each year are as at 30 June.

Fair values for each class of asset are determined as shown below:

<i>Asset Class</i>	<i>Fair Value Measured at:</i>
Infrastructure, plant and equipment	Market selling price

Revaluation adjustments are made on a class basis. Any revaluation increment is credited to equity under the heading of asset revaluation reserve except to the extent that it reverses a previous revaluation decrement of the same asset class that was previously recognised through profit and loss. Revaluation decrements for a class of assets are recognised directly through profit and loss except to the extent that they reverse a previous revaluation increment for that class.

Notes to and forming part of the Financial Statements

Any accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the net amount restated to the revalued amount.

Depreciation

Depreciable infrastructure, plant and equipment assets are written-off to their estimated residual values over their estimated useful lives to the ABS using, in all cases, the straight-line method of depreciation. Leasehold improvements are depreciated on a straight-line basis over the lesser of the estimated useful life of the improvements or the unexpired period of the lease.

Depreciation rates (useful lives), residual values and methods are reviewed at each reporting date and necessary adjustments are recognised in the current, or current and future reporting periods, as appropriate.

Depreciation rates applying to each class of depreciable assets are based on the following useful lives:

	2006	2005
Infrastructure, plant and equipment	5-10*	5-10*

* Within this class, Artwork and Curios has a useful life between 10-100 years.

The aggregate amount of depreciation allocated for each class of asset during the reporting period is disclosed in Note 5C.

Impairment

All assets were assessed for impairment at 30 June 2006. Where indications of impairment exist, the asset's recoverable amount is estimated and an impairment adjustment made if the asset's recoverable amount is less than its carrying amount.

The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use. Value in use for ABS assets is taken to be its depreciated replacement cost (where the ABS would replace the asset if it was deprived of it) as future economic benefit is not primarily dependent on the asset's ability to generate future cash flows.

No indicators of impairment were found for assets at fair value.

Notes to and forming part of the Financial Statements**1.22 Intangibles**

ABS' intangibles comprise internally developed software and purchased software.

Software is amortised on a straight line basis.

Internally Generated Software

In its role as Australia's national statistical agency, the ABS builds and maintains a significant set of internally generated software (IGSW) assets. These assets are added to over time in line with the increasing range of statistical information sought by government, business and the general community, and the increasing use of technology, particularly in relation to collection, analysis and dissemination activities.

All software developed in-house since 1 July 1994 has been capitalised (Note 7C). The costing methodology capitalises direct salary and on costs, applicable information technology costs and some direct external costs. General, administration and overhead costs relating to software development have not been capitalised. The data capture systems in place were further refined to collect data in line with the requirements of the FMOs.

In accordance with the requirements of AASB 138 Intangible Assets IGSW is stated at cost. All IGSW assets were assessed for indications of impairment as at 30 June 2006 (refer Note 5E).

Purchased Software

Purchased software assets are stated at cost where the asset cost more than \$1,000. Assets below this threshold are expensed at the time of purchase.

Amortisation

The ABS has long term commitments to surveys and data collection programs. These are supported by software packages that are required to be maintained for the same time period as the data collection and analysis programs to ensure consistency in approach and of data treatment.

The estimated useful lives of the major asset classes are as follows:

	2006	2005
	<u>Life in Years</u>	<u>Life in Years</u>
Computer software – proprietary	5	5
Computer software – internally generated	2 to 28	2 to 28

The aggregate amount of amortisation allocated for each class of asset during the reporting period is disclosed in Note 5C.

1.23 Historical Statistical Data

Statistical data accumulated over many years is stored for reference purposes. While having no value for accounting purposes historical time series data plays an important part in the operations of the ABS as Australia's official statistical provider. The cost of storing and maintaining this data is treated as an operating expense.

1.24 Capital Work in Progress

Capital work in progress represents two main asset types: software assets under development and office refurbishments. Work in progress is disclosed in the infrastructure, plant and equipment and intangibles balances.

Software assets are not depreciated until the year in which the development phase is completed and the asset is operational. Where use of the asset commences after substantial completion of the development phase, but some improvements or enhancements to the system continue to be made, the date of substantial completion is treated as the date of completion and depreciation commences from that date.

1.25 Inventories

Inventories comprise items held for sale that are considered significant and are valued at the lower of cost and net realisable value (Note 7D). As part of the rationalisation of product delivery services physical inventory items held were reduced significantly in previous financial years. Most products are now available electronically or printed on request.

Consumable stores and supplies are considered to be immaterial and have been expensed at the time of purchase.

1.26 Other Non-Financial Assets

Other non-financial assets include prepayments for maintenance contracts, office rent, rights to childcare places at Bluebell Childcare Centre, security and subscriptions (refer Note 7E).

1.27 Insurance

The ABS is insured for risks through the Government's insurable risk managed fund called 'Comcover'. Workers compensation is insured through the Government's Comcare Australia.

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1.28 Taxation

The ABS is exempt from all forms of taxation except Fringe Benefits Tax (FBT) and the Goods and Services Tax (GST).

Revenues, expenses and assets are recognised net of GST except:

- where the amount of GST incurred is not recoverable from the Australian Taxation Office; and
- for receivables and payables.

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Notes to and forming part of the Financial Statements

	2005 \$'000	2004 \$'000
Note 2: The impact of the transition to AEIFRS from previous AGAAP		
Reconciliation of total equity as presented under previous AGAAP to that under AEIFRS		
Total equity under previous AGAAP	56,272	54,745
Adjustments to retained earnings:		
Borrowing Costs ¹	(295)	(338)
Doubtful Debts ²	35	-
'Makegood' Assets and Liabilities ³	(402)	(349)
Lease Incentives ⁴	(9,212)	(6,886)
Total equity translated to AEIFRS	46,398	47,172

Reconciliation of result as presented under previous AGAAP to AEIFRS

Prior year result as previously reported	2,984
Adjustments:	
Amortisation of Interest Capitalised ¹	42
Writtenown of Doubtful Debts ²	35
Makegood Assets - Amortisation ³	(30)
Makegood Liabilities - Unwinding of discount ³	(22)
Lease Incentive - Reduction of Rental Expenditure ⁴	(2,326)
Prior year result translated to AEIFRS	683

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Notes to and forming part of the Financial Statements

The cash flow statement presented under previous AGAAP is equivalent to that prepared under AEIFRS.

¹ Borrowing costs relating to qualifying assets have been capitalised under AGAAP. While this treatment is consistent with AEIFRS, the FMOs have prescribed all borrowing costs to be expensed under AEIFRS. These amounts therefore have been derecognised.

² ABS was required by AEIFRS to review the carrying amounts of financial instruments as at 1 July 2005 to ensure they align with the accounting policies required by AEIFRS. As a result of this assessment, the carrying amount of financial instruments was impacted by the removal of the general doubtful debts provision.

³ AEIFRS requires that future estimated restoration costs under accommodation leases be recognised as assets (capitalised in the carrying value of leasehold improvements) and liabilities ('makegood' provisions), where it is probable that the makegood requirements under a lease will eventuate.

⁴ AEIFRS requires that the lessee recognise the aggregate benefit of incentives as a reduction of rental expense over the lease term, as well as the inclusion of all known escalation clauses in leases.

ABS elected to value those assets not at fair value as at 1 July 2004 to fair value, consistent with AGAAP. This revaluation took place on 30 June 2005 and resulted in the reduction in the carrying amount of Hardware Assets by \$3,353,850, a reduction in the Asset Revaluation Reserve of \$3,329,247 and opening Retained Earnings by \$24,603 at 1 July 2004. Had this election not been adopted, the net profit under AGAAP, reported above, would have been \$838,000 lower, reflecting the depreciation which would have been brought to account on these IT assets during 2004/05.

Note 3: Events after the Balance Sheet date

There have been no events occurring subsequent to balance date that would affect the Australian Bureau of Statistics Financial Statements for the financial year ended 30 June 2006.

	2006 \$'000	2005 \$'000
Note 4: Income		
<i>Revenues</i>		
Note 4A: Revenues from Government		
Appropriations for outputs	<u>318,622</u>	<u>269,855</u>
<i>Total revenues from government</i>	<u>318,622</u>	<u>269,855</u>
Note 4B: Goods and Services		
Goods	<u>2,084</u>	<u>5,140</u>
Services	<u>17,550</u>	<u>14,092</u>
<i>Total sales of goods and services</i>	<u>19,634</u>	<u>19,232</u>
Provision of goods to:		
Related entities	<u>1,746</u>	<u>2,510</u>
External entities	<u>338</u>	<u>2,630</u>
<i>Total sales of goods</i>	<u>2,084</u>	<u>5,140</u>
Rendering of services to:		
Related entities	<u>14,701</u>	<u>6,881</u>
External entities	<u>2,849</u>	<u>7,211</u>
<i>Total rendering of services</i>	<u>17,550</u>	<u>14,092</u>

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Notes to and forming part of the Financial Statements

	2006 \$'000	2005 \$'000
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GainsNote 4C: Net Gains/(Losses) from Sale of Assets**Infrastructure, plant and equipment:**

Proceeds from disposal	79	112
Net book value of assets disposed	(476)	(61)
<i>Net gain/(loss) from disposal of infrastructure, plant and equipment</i>	<u>(397)</u>	<u>51</u>

Intangible Assets

Proceeds from disposal	-	-
Net book value of assets disposed	(16)	-
<i>Net gain/(loss) from disposal of infrastructure, plant and equipment</i>	<u>(16)</u>	<u>-</u>
Total proceeds from disposals	79	-
Total value of assets disposed	(492)	-
<i>Total net gain/(loss) from disposal of assets</i>	<u>(413)</u>	<u>-</u>

Note 4D: Other gains

Assets first recognised	5	-
Resources received free of charge	109	108
	<u>114</u>	<u>108</u>

Notes to and forming part of the Financial Statements

	2006 \$'000	2005 \$'000
Note 5: Operating Expenses		
<u>Note 5A: Employee Expenses</u>		
Wages and salaries	176,571	156,808
Superannuation	30,225	28,543
Leave and other entitlements	6,003	8,795
Interviewers wages and superannuation	10,973	9,013
Census wages and superannuation	3,453	123
Separation and redundancies	(328)	2,249
Other employee expenses	1,794	1,320
Total employee benefits expenses	228,691	206,851
Less amounts capitalised in respect of internally generated software	(18,806)	(17,760)
Total employee expenses	209,885	189,091

Note 5B: Suppliers

Provision of goods - related entities	1,629	1,004
Provision of goods - external entities	23,740	19,731
Rendering of services - related entities	6,627	10,075
Rendering of services - external entities	38,640	24,457
Operating lease rentals*	28,499	19,692
Total supplier expenses	99,135	74,959

* These comprise minimum lease payments only.

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Notes to and forming part of the Financial Statements

	2006 \$'000	2005 \$'000
Note 5C: Depreciation and Amortisation		
<u>Depreciation</u>		
Other infrastructure, plant and equipment	<u>12,907</u>	10,422
Total depreciation	12,907	10,422
<u>Amortisation</u>		
Intangibles – Computer Software	15,457	14,216
Leasehold Improvements	349	318
Total amortisation	15,806	14,534
Total depreciation and amortisation	28,713	24,956

The aggregate amounts of depreciation or amortisation expensed during the reporting period for each subclass of depreciable assets are as follows:

Artwork and Curios	32	10
Furniture	1,400	1,362
Office Equipment	135	119
Leasehold Improvements (including incentives)	3,994	1,753
Plant and Equipment	446	406
IT Hardware	7,249	7,090
Intangibles	15,457	14,216
Total depreciation and amortisation	28,713	24,956

No depreciation or amortisation was allocated to the carrying amounts of other assets.

Australian Bureau of Statistics

Notes to and forming part of the Financial Statements

	2006 \$'000	2005 \$'000
<u>Note 5D: Finance Costs</u>		
Loans	514	588
Unwinding of discount	23	23
<i>Total finance costs expense</i>	537	611

Note 5E: Write down and impairment of assets

Bad debts written off	1	1
Doubtful debts expense	-	(35)
Internally developed software-impairment	66	-
Hardware – write off on disposal	-	74
<i>Total write-down of assets</i>	67	40

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	2006 \$'000	2005 \$'000
Note 6: Financial Assets		
Note 6A: Cash and cash equivalents		
Special Account	122	129
Departmental (other than special accounts)	<u>8,694</u>	<u>9,385</u>
Total cash and cash equivalents	<u>8,816</u>	<u>9,514</u>
Note 6B: Receivables		
Goods and services	991	1,387
GST receivable from the Australian Taxation Office	<u>1,028</u>	<u>998</u>
Sundry receivables	362	221
Appropriations receivable ¹	<u>5,277</u>	<u>5,155</u>
Total receivables (net)	<u>7,658</u>	<u>7,761</u>
Receivables is represented by:		
Current	<u>7,658</u>	<u>7,761</u>
Total receivables (net)	<u>7,658</u>	<u>7,761</u>
All receivables are current assets. Credit terms are net 30 days (2005: 30 days).		
¹ Appropriations receivable undrawn are appropriations controlled by the ABS but held in the Official Public Account under the Government's just-in-time draw down arrangements. In 2005-06 and prior years the ABS returned a total of \$5,277,000 to the Official Public Account which was surplus to working cash requirements. The amount comprised \$122,000 (2005-06), \$3,855,000 (2004-05) and \$1,300,000 (2002-2003). These amounts can be redrawn at any time.		
Receivables (gross) are aged as follows:		
Current	7,594	7,567
Overdue by:		
Less than 30 days	7	155
30 to 60 days	15	11
61 to 90 days	18	28
More than 90 days	<u>24</u>	<u>-</u>
	<u>64</u>	<u>194</u>
Total receivables (gross)	<u>7,658</u>	<u>7,761</u>

Australian Bureau of Statistics

Notes to and forming part of the Financial Statements

	2006 \$'000	2005 \$'000
Note 7: Non-Financial Assets		
Note 7A: Infrastructure, Plant and Equipment		
<i>Infrastructure, plant and equipment</i>		
- work in progress	423	386
- fair value	34,752	37,002
- at cost	29,427	11,939
- accumulated depreciation	<u>(10,534)</u>	<u>(12,950)</u>
<i>Total Infrastructure, Plant and Equipment (non-current)</i>	54,068	36,377

All revaluations are independent and are conducted in accordance with the revaluation policy stated at Note 1.21. In 2002-03, 2004-05 and 2005-06, revaluations were conducted by an independent valuer, the Australian Valuation Office (AVO).

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Notes to and forming part of the Financial Statements

Note 7B: Analysis of Property, Plant and Equipment

TABLE A – Reconciliation of the Opening and Closing Balances of Property, Plant and Equipment

Item	Infrastructure, Plant and Equipment	TOTAL
	\$'000	\$'000
As at 1 July 2005		
Gross book value	49,327	49,327
Accumulated depreciation/amortization	(12,950)	(12,950)
Opening Net book value	36,377	36,377
Additions:		
by purchase	21,160	21,160
From acquisition of operations	-	-
Net revaluation increment/(decrement)	10,309	10,309
Depreciation/amortisation expense	(13,256)	(13,256)
Other Adjustments	(46)	(46)
Reclassifications	-	-
Recoverable Amount write-downs	-	-
Write-offs	-	-
Disposals:		
From disposal of operations	(476)	(476)
Other disposals	-	-
As at 30 June 2006		
Gross book value	64,602	64,602
Accumulated depreciation/amortization	(10,534)	(10,534)
Closing Net book value	54,068	54,068

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Notes to and forming part of the Financial Statements

Note 7B: Analysis of Property, Plant and Equipment (continued)

TABLE B – Property, Plant, Equipment and Intangibles under Construction

Item	Other Infrastructure, plant & equipment	Computer software	TOTAL
	\$'000	\$'000	\$'000
Carrying amount at 30 June 2006	423	6,868	7,283
Carrying amount at 30 June 2005	386	13,065	13,451

Australian Bureau of Statistics

Notes to and forming part of the Financial Statements

	2006 \$'000	2005 \$'000
<u>Note 7C: Intangible Assets</u>		
Computer software:		
Computer software in progress – (non-current)	197	45
Internally developed – in progress (non-current)	5,103	9,656
ANZSCO and ANZSIC capitalisation – in progress (non-current)	1,560	3,364
	<u>6,860</u>	<u>13,065</u>
Internally developed – in use (non-current)	168,047	142,885
Purchased software	18,675	22,915
Accumulated amortisation	(101,531)	(92,718)
Impairment write-down (refer Note 5E)	(66)	-
	<u>85,125</u>	<u>73,082</u>
<i>Total intangibles (non-current)</i>	<u>91,985</u>	<u>86,147</u>

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TABLE A – reconciliation of opening and closing balances of intangibles			
Item	Computer software internally developed	Computer software purchased	Total
	\$'000	\$'000	\$'000
As at 1 July 2005			
Gross book value	155,949	22,915	178,864
Accumulated amortisation	(73,924)	(18,793)	(92,717)
Opening Net book value	82,025	4,122	86,147
Additions			
Purchase/Internally developed	18,958	2,419	21,377
Reclassifications	-	-	-
Depreciation/amortisation	(13,706)	(1,751)	(15,457)
Writedown of assets	(66)	-	(66)
Impairments recognised in the operating result	-	-	-
Other movements			
Disposals:			
other disposals		(16)	(16)
As at 30 June 2006			
Gross Book Value	174,841	18,674	193,515
Accumulated amortisation	(87,630)	(13,900)	(101,530)
Closing Net Book Value	87,211	4,774	91,985

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Notes to and forming part of the Financial Statements

	2006 \$'000	2005 \$'000
<u>Note 7D: Inventories</u>		
Finished goods (cost)	56	21
Inventories held for sale	56	21
<i>Total inventories</i>	56	21
All departmental inventories are current assets.		

Note 7E: Other Non-Financial Assets

Prepayments comprising of:

Information technology	1,172	69
Software licenses	1,679	1,183
Office rent	4,966	5,534
Childcare places	-	42
Subscriptions	3	184
Other	85	598
<i>Total prepayments</i>	7,905	7,610

Other non-financial assets is represented by:

Current	4,747	4,116
Non-Current	3,158	3,494
<i>Total prepayments</i>	7,905	7,610

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Notes to and forming part of the Financial Statements

	2006 \$'000	2005 \$'000
Note 8: Payables		
Note 8A: Suppliers		
Trade creditors	10,809	8,878
Sundry creditors	79	13
Total Supplier Payables	10,888	8,891

All supplier payables are current liabilities.

Settlement is usually made net 30 days.

Note 8B: Other Payables

Unearned revenue	5,756	2,517
Total unearned revenue	5,756	2,517

All unearned revenue is a current liability.

Note 9: Interest Bearing Liabilities

Note 9A: Loans

Loans from Government	7,585	8,847
Maturity schedule for loans:		
Payable:		
Within one year	1,340	1,261
In one to five years	6,245	5,887
In more than five years	-	1,699
Total loan liability	7,585	8,847

The loan was issued in 2001-02 and is repayable in quarterly instalments beginning in 2001-02 and ending in 2010-11. The interest rate implicit in the loan is 6.12%.

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Notes to and forming part of the Financial Statements

	2006 \$'000	2005 \$'000
<u>Note 9B: Other Interest Bearing Liabilities</u>		
Lease incentives	<u>21,011</u>	<u>13,925</u>
Other interest bearing liabilities are represented by:		
Current	1,527	286
Non-Current	<u>19,484</u>	<u>13,639</u>
Total other interest bearing liabilities	<u>21,011</u>	<u>13,925</u>

Note 10: ProvisionsNote 10A: Employee Provisions

Salaries and wages	1,726	690
Leave	64,203	64,547
Superannuation	255	115
Separations and redundancies	75	2,460
Total employee provisions	<u>66,259</u>	<u>67,812</u>
Current	58,253	64,593
Non-current	<u>8,006</u>	<u>3,219</u>
Total employee provisions	<u>66,259</u>	<u>67,812</u>

Note 10B: Other Provisions

Provision for 'Makegood'	1,475	451
Total other provisions	<u>1,475</u>	<u>451</u>
Current	475	-
Non-current	<u>1,000</u>	<u>451</u>
Total other provisions	<u>1,475</u>	<u>451</u>

Notes to and forming part of the Financial Statements

	Provision for Make good \$'000
Carrying amount at beginning of period	451
Additional provisions made	1,000
Unwinding of discounted amount arising from the passage of time	24
Amount owing at end of period	1,475

The ABS currently has seven agreements for the leasing of premises which have provisions requiring the ABS to restore the premises to their original condition at the conclusion of the lease.

Only two of these agreements meet the probability test of AASB 137. The ABS has made a provision to reflect the present value of these obligations. The remaining five agreements are disclosed as contingent liabilities in the Schedule of Contingencies.

The present value of the two qualifying makegood liabilities have been obtained through valuation as at 30 June 2006.

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	2006 \$'000	2005 \$'000
Note 11: Cash Flow Reconciliation		
Reconciliation of cash per Income Statement to Statement of Cash Flows		
Cash at year end per Statement of Cash Flows	8,816	9,514
Statement of Financial Position items comprising above cash: 'Financial Asset – Cash'	8,816	9,514
Reconciliation of operating result to net cash from operating activities:		
Operating result	23	683
Depreciation /amortisation	28,713	24,956
Net write down of non-financial assets	66	40
Assets first recognised	(80)	-
(Gain)/Loss on disposal of assets	413	(51)
(Increase) in fitout through lease incentives	-	(3,020)
(Increase) / decrease in net receivables	103	(3,121)
(Increase) / decrease in inventories	(35)	21
(Increase) / decrease in prepayments	(295)	379
Increase / (decrease) in employee provisions	(1,553)	421
Increase / (decrease) in supplier payables	1,997	3,300
(Increase) / decrease in accrued revenues	1,202	(916)
Increase / (decrease) in unearned revenue	3,239	(1,836)
Increase / (decrease) in other liabilities	3,661	6,708
Increase / (decrease) in other provisions	-	3
<i>Net cash from / (used by) operating activities</i>	<u>37,454</u>	<u>27,567</u>

Note 12: Contingent Liabilities and Assets*Quantifiable Contingencies*

The Schedule of Contingencies reports a contingent liability as at 30 June 2006 in respect of a number of leases with make good clauses in them of \$3,987,000 (2005: \$4,987,000). New leases are being negotiated without a make good provision.

Unquantifiable Contingencies

There have been no unquantifiable contingencies identified by the ABS for the financial year 2005-06 (2005: Nil).

Remote Contingencies

There have been no remote contingencies identified by the ABS for the financial year 2005-06 (2005: Nil).

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Notes to and forming part of the Financial Statements

Note 13: Executive Remuneration	2006	2005
The number of senior executives who received or were due to receive total remuneration of \$130,000 or more:		
\$130 000 to \$144 999	2	4
\$145 000 to \$159 999	3	5
\$160 000 to \$174 999	14	11
\$175 000 to \$189 999	9	4
\$190 000 to \$204 999	2	3
\$205 000 to \$219 999	2	1
\$220 000 to \$234 999	2	3
\$235 000 to \$249 999	1	1
\$250 000 to \$264 999	2	-
\$265 000 to \$279 999	-	-
\$280 000 to \$294 999	-	-
\$295 000 to \$309 999	-	-
\$310 000 to \$324 999	-	-
\$325,000 to \$354 999	-	-
\$355,000 to \$369 999	1	1
Total	38	33

The aggregate amount of total remuneration of executives shown above. **\$7,137,011** **\$6,027,137**

The aggregate amount of separation and redundancy/termination benefit payments during the year to executives shown above. **Nil** **Nil**

Total remuneration includes the actual salary earned by SES officers, actual employer superannuation contributions and the actual cost of the non-salary component of the SES packages (e.g. provision of a car and accrued leave entitlements).

Note 14: Remuneration of Auditors	2006	2005
Financial statement audit services are provided free of charge to the ABS.		

The fair value of the services provided was: **109,223** **108,310**

No other services were provided by the Auditor-General.

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Notes to and forming part of the Financial Statements

	2006	2005
Note 15: Average Staffing Levels	2,987	2,842

The average staffing levels for the ABS during the year, measured on a full time equivalent basis were:

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Notes to and forming part of the Financial Statements

Note 16: Financial Instruments

Note 16A: Interest Rate Risk

Financial Instrument	Notes	Interest Rate Risk	Fixed Interest Rate Maturing in			Non-Interest Bearing			Total	Weighted Average Effective Interest Rate		
			1 Year or Less		1 to 5 Years	> 5 Years						
			2006 \$'000	2005 \$'000	2006 \$'000	2005 \$'000	2006 \$'000	2005 \$'000				
Financial Assets												
Cash at Bank	6A	-	-	-	-	-	-	8,816	9,514	8,816		
Receivables for goods and services (gross)	6B	-	-	-	-	-	-	991	1,387	991		
Other receivables	6B	-	-	-	-	-	-	1,390	1,219	1,390		
Accrued revenue	-	-	-	-	-	-	-	269	1,411	269		
<i>Total</i>		-	-	-	-	-	-	11,406	13,531	11,406		
<i>Total Assets</i>												
Financial Liabilities												
Government loans	9A	-	1,340	1,261	6,245	5,887	-	1,699	-	7,585		
Trade creditors	8A	-	-	-	-	-	-	10,809	8,878	10,809		
Sundry creditors	8A	-	-	-	-	-	-	79	13	79		
<i>Total</i>		-	1,340	1,261	6,245	5,887	-	1,699	10,888	8,891		
<i>Total Liabilities</i>												
									112,974	102,443		

Notes to and forming part of the Financial StatementsNote 16B: Fair Values of Financial Assets and Liabilities

	Notes	2006		2005	
		Total Carrying Amount \$'000	Aggregate Net Fair Value \$'000	Total Carrying Amount \$'000	Aggregate Net Fair Value \$'000
Departmental Financial Assets					
Cash at bank	6A	8,816	8,816	9,514	9,514
Receivables for goods and services (net)	6B	991	991	1,387	1,387
Other receivables	6B	1,390	1,390	1,219	1,219
Accrued revenue		209	209	1,411	1,411
Total Financial Assets		11,406	11,406	13,531	13,531
Financial Liabilities (Recognised)					
Government loans	9A	7,585	7,585	8,847	8,847
Trade creditors	8A	10,809	10,809	8,878	8,878
Sundry creditors	8A	79	79	13	13
Total Financial Liabilities (Recognised)		18,473	18,473	17,738	17,738

The net fair values of cash and non-interest-bearing monetary financial assets approximate their carrying amounts.

The net fair values of the finance lease, lease incentives and surplus lease space are based on discounted cash flows using current interest rates for liabilities with similar risk profiles.

The net fair values for trade creditors are approximated by their carrying amounts.

Note 16C: Credit Risk Exposures

The ABS's maximum exposures to credit risk at reporting date in relation to each class of recognised financial assets is the carrying amount of those assets as indicated in the Balance Sheet.

The ABS has no significant exposures to any concentrations of credit risk.

All figures for credit risk referred to do not take into account the value of any collateral or other security.

Notes to and forming part of the Financial Statements

Note 17: Appropriations

Note 17A: Acquittal of Authority to Draw Cash from the Consolidated Revenue Fund (CRF) for Ordinary Annual Services Appropriations

Particulars	2006	2005	2006	2005	Total
Balance carried from previous period	\$ 15,665,872	14,422,727	\$ 15,665,872	14,422,727	
Reduction of appropriations (prior years)					
Adjusted Balance carried from previous period	15,665,872	14,422,727	15,665,872	14,422,727	
Appropriation Act (No.1)	318,622,000	269,558,000	318,622,000	269,558,000	
Appropriation Act (No.3)			297,000		297,000
Sub-total Annual Appropriation	318,622,000	269,855,000	318,622,000	269,855,000	
Appropriations to take account of recoverable GST (FMAA s30A)	10,786,923	6,811,601	10,786,923	6,811,601	
Annotations to 'net appropriations' (FMAA s31)	31,139,145	20,905,650	31,139,145	20,905,650	
Total appropriations available for payments	376,215,946	311,994,978	376,215,946	311,994,978	
Cash payments made during the year (GST inclusive)	(361,095,299)	(296,329,106)	(361,095,299)	(296,329,106)	
Balance of Authority to Draw Cash from the CRF for Ordinary Annual Services Appropriations	15,120,641	15,665,872	15,120,641	15,665,872	
Represented by:					
Cash at bank and on hand	\$ 8,816,065	9,513,605	\$ 8,816,065	9,513,605	
Receivable - departmental appropriations	5,277,900	5,155,000	5,277,900	5,155,000	
Receivables - GST receivable from the ATO	1,027,576	997,267	1,027,576	997,267	
Total	15,120,641	15,665,872	15,120,641	15,665,872	

Australian Bureau of Statistics
 Notes to and forming part of the Financial Statements

Note 17B: Acquittal of Authority to Draw Cash from the Consolidated Revenue Fund (CRF) for other than Ordinary Annual Services Appropriations

Particulars	Non-operating		Total	
	2006 Equity	2005 Equity	2006 Loans	2005 Loans
Balance carried from previous year	\$ -	\$ -	\$ -	\$ -
Appropriation Act (No. 2)	994,000	-	-	994,000
Appropriation Act (No. 4)	-	-	-	-
Appropriations to take account of recoverable GST (FMA s30A)	99,400	-	-	99,400
Total appropriations available for payments	1,093,400			1,093,400
Cash payments made during the year (GST inclusive)	(1,093,400)			(1,093,400)
Balance of Authority to Draw Cash from the CRF for Other Than Ordinary Annual Services Appropriations				
Represented by:				
Cash at bank and on hand	-			
Appropriations Receivable	-			
Total				

There were no savings offered up during the year and there have been no savings offered up in previous years that are still ongoing.

Notes to and forming part of the Financial Statements**Note 18: Special Accounts****Note 18A: Trust Fund and Other Trust Moncys**

Trust Fund and Other Trust Moncys	2006	2005
	\$	\$
Legal Authority: <i>Financial Management and Accountability Act 1997</i> <i>Section 20.</i>		
This account is non-interest bearing.		
<i>This account has two purposes:</i>		
<i>Purpose 1:</i> For the receipt of moncys temporarily held on trust or otherwise for the benefit of a person other than the Commonwealth. Any money held is thus special public money under section 16 of the <i>FMA Act 1997</i> .		
<i>Purpose 2:</i> This account holds moncys advanced to the Australian Bureau of Statistics by COMCARE for the purpose of distributing compensation payments made in accordance with the <i>Safety, Rehabilitation and Compensation Act 1998</i> . Where ABS makes payments against accrued sick leave entitlements pending determination of an employee's claim, permission is obtained in writing from each individual to allow ABS to recover the payments from the moncys in the account.		
<i>Purpose 1:</i>		
Balance carried from previous period	99,155	62,487
Receipts during the year from customers	5,107	36,668
Available for payments	104,262	99,155
Payments made	11,837	
Balance carried to the next period	92,425	99,155
<i>Purpose 2:</i>		
Balance carried from previous period	30,000	30,000
Receipts during the year	363,064	1,048,036
Available for payments	393,064	1,078,036
Payments made	363,064	1,048,036
Balance carried to the next period	30,000	30,000
Represented by:		
<i>Cash</i>	122,425	129,155

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Notes to and forming part of the Financial StatementsNote 18B: Services for Other Governments and Non-Agency Bodies

Services for Other Governments and Non-Agency Bodies	2006	2005
	\$	\$
<i>Legal Authority: Financial Management and Accountability Act 1997</i>		
<i>Section 20.</i>		
<i>Purpose:</i> For expenditure in connection with services performed on behalf of other Governments and bodies that are not FMA agencies.		
The ABS does not incur any expenditure in connection with services performed on behalf of other Governments and bodies that are not FMA agencies.		
Balance carried forward from previous year		
Receipts during the year		
Available for payments		
Payments made		
<i>Balance carried forward to next year</i>		
<i>Total</i>		
Represented by:		
<i>Cash</i>		

	2006	2005
	\$	\$
Note 19: Compensation and Debt Relief		
No 'Act of Grace' payments were made during the reporting period, and there are no amounts owing as at year end.	<u>Nil</u>	<u>Nil</u>
No waivers of amounts owing to the Commonwealth were made pursuant to subsection 34(1) of (<i>the Financial Management and Accountability Act 1997</i> .)	<u>Nil</u>	<u>Nil</u>
No payments were made under the 'Defective Administration Scheme' during the reporting period.	<u>Nil</u>	<u>Nil</u>
No payments were made under s73 of the <i>Public Service Act 1999</i> during the reporting period.	<u>Nil</u>	<u>Nil</u>

Notes to and forming part of the Financial Statements**Australian Bureau of Statistics****Note 20: Reporting of Outcomes****Note 20A: Net Cost of Outcome Delivery**

	Outcome 1	Total
	2006 \$'000	2005 \$'000
Departmental	338,930	290,039
Total expenses	338,930	290,039
<i>Costs recovered from provision of goods and services to the non-government sector</i>		
Departmental	3,187	9,841
Total costs recovered	3,187	9,841
<i>Other external revenues</i>		
Gains from disposal of assets	-	51
Other	583	1,476
Goods and Services Revenue from Related Entities	16,447	9,391
Total Departmental	17,030	10,918
<i>Total other external revenues</i>		
	17,030	10,918
Net cost/(contribution) of outcome	318,713	269,280

Outcome 1 is described in Note 1 (a). Net costs shown include intra-government costs that are eliminated in calculating the actual Budget outcome.

Note 20B: Major Classes of Departmental Revenues and Expenses by Output Groups and Outputs

Outcome 1	Output Group 1.1		Output Group 1.1.2		Outcome 1 Total \$'000
	Output Group 1.1.1		2005 \$'000	2006 \$'000	
	2006 \$'000	2005 \$'000			
Departmental expenses					
Employees	82,770	85,280	127,115	103,811	209,885
Suppliers	39,144	33,807	59,991	41,152	99,135
Depreciation and amortisation	11,323	11,255	17,390	13,701	28,713
Other expenses	472	466	725	567	1,197
Total departmental expenses	133,709	130,808	205,221	159,231	338,930
Funded by:					
Revenues from government	127,764	121,705	190,858	148,150	318,622
Sale of goods and services	5,738	8,674	13,896	10,558	19,634
Other non-taxation income	170	666	413	810	583
Total departmental revenues	133,672	131,045	205,167	159,518	338,839

Output Group 1.1 - National Statistical Service

Output Group 1.1.1 - Economic Statistics

Output Group 1.1.2 - Population and Social Statistics

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SECTION VIII

APPENDICES



Appendix 1	CONTACT DETAILS
Appendix 2	USER GROUPS ADVISING THE ABS
Appendix 3	CONSULTANCY SERVICES
Appendix 4	ADVERTISING AND MARKET RESEARCH
Appendix 5	FREEDOM OF INFORMATION REQUESTS
Appendix 6	ONLINE APPENDICES

Appendix 1

Contact Details

For enquiries about the ABS Annual Report, please contact:

Director, Secretariat, Australian Bureau of Statistics
Locked Bag 10, Belconnen, ACT, 2616.
Telephone: 02 6252 7809
Email: julie.evans@abs.gov.au

Access to ABS documents (including the ABS Annual Report) and statistics is available through the ABS web site: www.abs.gov.au.

For any queries about statistical information, contact the National Information and Referral Service from anywhere in Australia between 8:30am and 5:00pm (EST) on:

1300 135 070 (Australian residents).
International clients may call +61 2 9268 4909

Alternatively, you can email your query to client.services@abs.gov.au

ABS has offices in every state and territory, as listed below:

Office	Street Address	Postal Address
Central Office (Canberra)	ABS House 45 Benjamin Way Belconnen ACT 2617	Locked Bag 10 Belconnen ACT 2616
New South Wales	5th Floor St Andrews House Sydney Square Sydney NSW 2000	GPO Box 796 Sydney NSW 2001
Victoria	5th Floor Commercial Union Tower 485 LaTrobe Street Melbourne VIC 3000	GPO Box 2796Y Melbourne VIC 3001
Queensland	Level 3 639 Wickham St Fortitude Valley QLD 4006	GPO Box 9817 Brisbane QLD 4001
South Australia	7th Floor East Commonwealth Centre 55 Currie Street Adelaide SA 5000	GPO Box 2272 Adelaide SA 5001
Western Australia	Level 15 Exchange Plaza Sherwood Court Perth WA 6001	GPO Box K881 Perth WA 6842
Tasmania	200 Collins Street Hobart TAS 7000	GPO Box 66A Hobart TAS 7001
Northern Territory	7th Floor AANT House 81 Smith Street Darwin NT 0800	GPO BOX 3796 Darwin NT 0801
ACT	Level 5 QBE Insurance Building 33-35 Ainslie Avenue Canberra City ACT 2601	Locked Bag 10 Belconnen ACT 2616

Appendix 2

User groups advising the ABS

The user groups advising the ABS include:

National Groups

- Advisory Committee on Australian and International Disability Data
- Advisory Group on Aboriginal and Torres Strait Islander Statistics
- Adult Literacy and Lifeskills Survey Reference Group
- Agriculture Statistics User Forum
- Australia-New Zealand Population Workshop
- Australian and New Zealand Standard Classification of Occupations Reference Group
- Australian Bureau of Statistics-Australian Taxation Office High Level Liaison Committee
- Business Longitudinal Database External Advisory Group
- Census Indigenous Enumeration Strategy Working Group
- Centre of Environment and Energy Statistics Advisory Board
 - Energy Statistics Discussion Group
 - Water Statistics User Group
 - Environment Statistics Household Data and Integration Working Group
 - Land Statistics and Natural Resource Management Survey User Group
- Children and Youth Statistics Advisory Group
- Cultural Ministers' Council Statistics Working Group
- Demography Statistics Advisory Group
- Economic Statistics User Group
- Education and Training Statistics Advisory Group
- Family Statistics Advisory Group
- General Social Survey Reference Group
- Health Statistics Advisory Group
- Household Income and Expenditure Statistics User Advisory Group
- Information and Communication Technology Statistics Reference Group
- Innovation Survey Technical Reference Group
- Input-Output Statistics User Group
- International Accounts Reference Group
- International Trade in Services User Group
- Labour Statistics Advisory Group

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- Methodology Advisory Group
- Migrant Statistics Reference Group
- Mining User Advisory Group
- National Advisory Group on Aboriginal and Torres Strait Islander Health Information and Data
- National Ageing Statistics Advisory Group
- National Community Services Information Management Group
- National Corrective Services Statistics Advisory Group
- National Crime Statistics Advisory Group
- National Criminal Courts Statistics Advisory Group
- National Health Information Group
- National Health Information Group Statistical Information Committee
- National Indigenous Housing Information Implementation Committee
- National Public Health Information Working Group
- Passenger Card Data User Group
- Passenger Card Steering Group
- Personal Safety Survey Advisory Group
- Population Estimates Technical Workshop
- Productivity Measurement Reference Group
- Standing Committee on Recreation and Sport Research Group
- Survey of Disability, Ageing and Carers Advisory Group
- Survey of Mental Health and Wellbeing Reference Group
- Rural and Regional Statistics Advisory Group
- Social Capital Advisory Group
- State Accounts User Group
- Statistical Clearing House User Group
- Steering Committee for the Review of Commonwealth/State Service Provision
- Technical Advisory Group on Indigenous Mortality
- Time Use Survey Advisory Group
- Transport Statistics User Group.

State Government Groups

- Statistical Coordination and User Forum (New South Wales)
- Victorian Statistical Advisory Forum
- Social Statistics Consultative Group (Victoria)
- Queensland State Statistical Consultative Committee

- State Statistical Priorities Committee (South Australia)
- Statistical Policy Committee and Economic (Western Australia)
- Social Statistics Consultative Groups (Western Australia)
- Statistical Policy Committee (Tasmania)
- Tasmanian Statistical Advisory Committee
- Northern Territory Statistical Liaison Committee
- Australian Capital Territory Statistical Co-ordination Committee.

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Appendix 3

Consultancy Services

Policy on selection and engagement of consultants

The ABS policy on selection and engagement of consultants is consistent with ABS Chief Executive Instructions and the Commonwealth Procurement Guidelines. The ABS selects and engages consultants in a way that provides value for money.

Total consultancies let in 2005-06

During 2005-06, 24 consultants were engaged to carry out projects or to provide professional and technical advice that could not be provided by staff of the ABS.

Thirteen consultancies had been let in previous years with a total expenditure of \$296,029 during 2005-06. The total expenditure of the 24 new consultancies during 2005-06 is \$645,831.

Table A3.1 shows total expenditure on all consultancies, covering both payments made on new contracts let in 2005-06 and payments made on contracts let in previous years. The larger consultancy contracts (those to the value of \$10,000 or more) are detailed in Table A3.2 along with brief notes on the procurement method used.

Table A3.1: Consultancy services contracts engaged by the ABS

	Consultancies (number)	Expenditure (\$ including GST)
2002-03	53	1,477,651
2003-04	63	958,269
2004-05	24	825,069
2005-06	37	941,861

Table A3.2: Consultancy services contracts let in 2005-06 to the value of \$10,000 or more

Vendor Name	Amount (\$ including GST)	Justification and Type of tender
<i>Information technology</i>		
Access Online Pty Ltd	42,273	2 [a]
Agreon Pty Ltd	43,151	2 [a]
Altis Consulting Pty Ltd	12,320	1 [d]
Avanade Australia Pty Ltd	50,000	1 [a]
Cybertrust Australia Pty Ltd	32,000	2 [a]
Object Consulting Pty Ltd	50,585	2 [a]
Red Rock Consulting Pty Ltd	120,000	1 [a]

SAS Institute of Australia Pty Ltd	50,000	1 (a)
Stratsec.Net Pty Ltd	72,914	1 (a)
Stratsec.Net Pty Ltd	22,220	2 (a,d)
Dimension Data Pty Ltd	25,651	2 (d)
<i>Other</i>		
Pacific Privacy Pty Ltd	28,600	1 (a)
GHD Pty Ltd	22,375	1 (a)
Australian Business Case	38,500	1 (a,c)
Publishing		
Communication Research Institute of Australia	22,000	1 (a)

Key

Justification for recourse to consultancy arrangements:

- (a) Need for specialised skills.
- (b) Need for access to the latest technology and experience in its application.
- (c) Lack of available in-house resources.
- (d) Need for an independent study.

Type of Tender:

- (1) Direct negotiation
- (2) Request for quotation
- (3) Restricted tender

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Appendix 4

Advertising and Market Research

The ABS paid \$1,912,431 on advertising and market research in 2005–06, comprising \$1,184,924 for advertising, the majority of which comprised advertising relating to staff recruitment, \$688,412 for market research and public relations consultancies, and \$39,095 for direct mail costs. Expenditure on individual advertising or market research exceeding \$1,500 is detailed in Table A4.1.

Table A4.1: Advertising, market research and public relations consultancies, and direct mail costs paid by, or on behalf of, the ABS, to the value of \$1,500 or more – 2005–06

Name of organisation paid	\$ including GST
<i>Advertising</i>	
Australian Public Service Commission	19,214.35
Community Newspaper Group	7,111.19
EOC Consulting Asia Pacific	1,650.00
Fujifilm Australia Pty Ltd	2,552.35
HMA Blaze Pty Ltd	909,839.90
I&G Pty Ltd	41,112.50
Made to Measure Publications	4,312.00
National Promotion Australia Pty Ltd	6,765.00
Rehame Australia Monitoring Services	9,933.00
Salmat Targeted Media Pty Ltd	73,231.40
Select Australasia	3,190.00
South Pacific Science Press	3,052.50
Stroudgate Australasia Pty Ltd	8,526.38
The School of Thought	4,716.25
Unimail Pty Ltd	13,970.00
Union Offset Co. Pty Ltd	3,036.00
University of New South Wales	1,700.00
University of Sydney	1,650.00
Western Australian Local Government Association	3,970.00
<i>Marketing and public relations consultancies</i>	
Adam Spencer Enterprises	7,700.00
Australian Business Case Studies	38,500.00
Cultural Partners	39,176.44
Cultural Perspectives Pty Ltd	41,910.00
Euro RSCG Worldwide	358,688.39

Name of organisation paid	\$ including GST
Foote Cone and Belding	6,319.50
Horizon Communications Group Pty Ltd	40,492.40
Leo Burnett Sydney	6,070.89
Market Attitude Research Service	49,372.40
Melanie James Consulting	29,885.96
Publicis Mojo	5,500.00
Ross Campbell & Associates	16,000.00
Wallis Consulting Group	43,732.00
<i>Direct Mail Organisations</i>	
Canprint Communications Pty Ltd	7,689.00
Mailcare Systems Pty Ltd	24,100.80
Melbourne Mailing Pty Ltd	1,805.45

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Appendix 5

Freedom of Information

Introduction

Section 8 of the *Freedom of Information Act 1982* requires the ABS to provide detail on the structure of the ABS, and how members of the public can gain access to information held by the ABS.

Detail on the structure of the ABS can be found in chapter 2 of the 2005–06 ABS Annual Report.

Information held by the ABS

Categories of documents in the possession of the ABS are:

Documents open to public access upon payment of a fee

The ABS does not hold any of these types of documents.

Documents available for purchase or customarily available free of charge

The ABS has a wide range of statistical publications available free of charge on its web site, through ABS libraries and major public libraries. Charged publications can be purchased from ABS bookshops in some state offices and the ABS web site.

Other documents in the possession of the ABS are:

Government and Parliament

The ABS holds policy-related documents, ministerial briefings, ministerial correspondence, replies to parliamentary questions, and tabling documents.

Meetings and conferences

The ABS holds agenda papers, submissions, and records of proceedings of internal and external conferences, management meetings and workshops.

Statistical and statistical service projects

The ABS holds research, development and evaluation papers, records of consultations with suppliers and users of data, statistical classifications, lists of businesses, maps, data collection, processing and publication manuals and instructions and mailing lists.

Administration and management

The ABS holds work program and planning documents, finance, staff and establishment papers and manuals, personnel files, recruitment files, selection and promotion of staff, staff development and training papers, office services documents and tenders.

Privacy

The ABS holds a record of the extent and nature of ABS holdings of personal information, as contained in the *Personal Information Digest* published by the Privacy Commissioner.

General

The ABS holds correspondence, papers, etc. filed by subject, manuals on more general subjects, reviews and administrative circulars.

Note that a significant part of ABS information holdings is information collected under the *Census and Statistics Act 1905*. This information is exempt from the provisions of the *Freedom of Information Act 1982*.

ABS Freedom of Information Activities

Matters relating to the operation of the *Freedom of Information Act 1982* within the ABS are the responsibility of the Office of the Statistician in Central Office. Authority for decision making under this Act has been delegated to the Deputy Australian Statisticians, the First Assistant Statistician, Corporate Services Division, and the Assistant Statistician, Office of the Statistician.

Office of the Statistician staff attend meetings of the Freedom of Information (FOI) Practitioners' Forum run by the Australian Government Solicitor's Office.

The following table provides details of FOI activities during the years 2001–02 to 2005–06 inclusive. Two requests were made to the ABS under the *Freedom of Information Act 1982* during 2005–06.

Table A5.1: Freedom of Information Activities, 2001–02 to 2005–06 (number)

	2001–02	2002–03	2003–04	2004–05	2005–06
Requests received for					
Statistical information	-	-	1	-	2
Personal papers	-	2	-	-	-
Administrative documents	-	-	-	3	-
Total	-	2	1	3	2
Decisions made					
Access granted in full	-	-	1	3	1
Access granted in part	-	2	-	-	1
Request transferred to another agency	-	-	-	-	-
Request withdrawn	-	-	-	-	-
Access refused	-	-	-	-	-
Documents not in existence	-	-	-	-	-
Total	-	2	1	3	2
Decisions outstanding at end of year	-	-	-	-	-
Review of decisions by principal officer	-	-	-	-	-
Appeals to Administrative Appeals Tribunal	-	-	-	-	-

Where to get information

Freedom of Information Inquiries

All inquiries concerning access to documents under the Freedom of Information Act 1982 may be directed to the Freedom of Information Contact Officer, Australian Bureau of Statistics, Locked Bag 10, Belconnen, ACT, 2616; telephone 02 6252 5731.

General Information

The ABS offers an initial contact point for all information requests:

Telephone: 1300 135 070

Email: client.services@abs.gov.au

Facsimile: 1300 135 211

Mail: Client Services, ABS, GPO Box 796, Sydney, NSW, 2001.

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Appendix 6

Online appendices

The following appendices are available in the online version of the annual report:

1. Disclosure of unidentified information
2. Detailed employment tables
3. Professional papers by ABS officers
4. Submissions to Parliamentary committees
5. Documents tabled in Parliament
6. Special articles in previous annual reports

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SECTION IX

GLOSSARY AND INDEX

IX

Glossary of Acronyms and Abbreviations

ABARE	Australian Bureau of Agricultural and Resource Economics
ACCC	Australian Competition and Consumer Commission
ACG	Allen Consulting Group
ACMA	Australian Communications and Media Authority
ABR	Australian Business Register
ABS	Australian Bureau of Statistics
ABS Act	<i>Australian Bureau of Statistics Act 1975</i>
ABSDL	Australian Bureau of Statistics Data Laboratory
ABSBR	ABS Business Register
ACT	Australian Capital Territory
AEI	Australian Economic Indicators
AGIMO	Australian Government Information Management Office
AIFS	Australian Institute of Family Studies
AIPRD	Australia Indonesia Partnership for Reconstruction and Development
ANA	Australian National Accounts
ANAO	Australian National Audit Office
ANZSCO	Australian and New Zealand Standard Classification of Occupations
ANZSIC	Australian and New Zealand Standard Industrial Classification
APPA	Australian Pacific Privacy Authorities
APRA	Australian Prudential Regulation Authority
APS	Australian Public Service
ASAC	Australian Statistics Advisory Council
ASCCEG	Australian Standard Classification of Cultural and Ethnic Groups
ASCL	Australian Standard Classification of Languages
ASCO	Australian Standard Classification of Occupations
ASCRG	Australian Standard Classification of Religious Groups
ASGC	Australian Standard Geographical Classification
ASIC	Australian Standard Industrial Classification
AST	Australian Social Trends
ATO	Australian Taxation Office
AusAID	Australian Agency for International Development
AVO	Australian Valuers' Office
AWA	Australian Workplace Agreement

BLD	Business Longitudinal Database
BIS	Basic Information Set
BIT	Business Income Tax
BoP	Balance of Payments
BPM	Balance of Payments Manual
BPS	Badan Pusat Statistik (Statistics Indonesia)
BSIP	Business Statistics Innovation Program
C&S Act	<i>Census and Statistics Act 1905</i>
CAI	Computer Assisted Interviewing
cat. no.	ABS catalogue number
CDE	Census Data Enhancement
CDS	Commonwealth Disability Strategy
CES	Conference of European Statisticians
CO	Central Office
COAG	Council of Australian Governments
CPC V.2	United Nations Central Product Classification
CPI	Consumer Price Index
CSIRO	Commonwealth Scientific and Industrial Research Organisation
CURF	Confidentialised Unit Record File
DAIS	South Australian Department of Administrative and Information Services
DAP	Disability Action Plan
DDA	<i>Disability Discrimination Act 1992</i>
DEH	Department of the Environment and Heritage
DEST	Department of Education, Science and Training
DEWR	Department of Employment and Workplace Relations
DHM	Division Heads Meetings
DITR	Department of Industry, Tourism and Resources
DPC	Data Processing Centre
DTEC	Department of Technical and Economic Co-operation
DTF	Victorian Department of Treasury and Finance
E2E	End-to-end
eCensus	Internet version of the form for the 2006 Census of Population and Housing
EEO	Equal Employment Opportunity
ESCAP	Economic and Social Commission for Asia and the Pacific
FaCSIA	Department of Family and Community Services, and Indigenous Affairs
FBT	Fringe Benefits Tax
FMA Act	<i>Financial Management and Accountability Act 1997</i>

FOI	Freedom of Information
GDP	Gross Domestic Product
GFS	Government Finance Statistics
GNAF	Geocoded National Address File
GPF	Government Partnership Fund
GST	Goods and Services Tax
GVG	Greenhouse Vehicle Guide
HES	Household Expenditure Survey
HILDA	Household Income and Labour Dynamics in Australia
HPI	House Price Index
HR DHM	Human Resources Division Heads Meeting
HSR	Health and Safety Representative
ICP	International Comparison Program
ICT	Information and Communication Technology
IDP	Information Development Plan
IDW	Input Data Warehouse
IFRS	International Financial Reporting Standards
IMF	International Monetary Fund
ISCO	International Standard Classifications of Occupations
ISI	International Statistical Institute
ISIC	International Standard Industrial Classification
IT	Information Technology
ITPI	International Trade Price Indexes
KNSO	Korean National Statistical Office
L&D	Learning and Development
LEP	Library Extension Program
LPI	Labour Price Index
LSAC	Longitudinal Study of Australian Children
LSIC	Longitudinal Study of Indigenous Children
MAP	Measurement of Australia's Progress
MAPS	Marrakesh Action Plan for Statistics
MCEETYA	Ministerial Council on Education, Employment, Training and Youth Affairs
MDGs	Millennium Development Goals
MOU	Memorandum of Understanding
MPHS	Multi-purpose Household Survey
MPS	Monthly Population Survey
NAICS	North American Industry Classification System

NATSIHS	National Aboriginal and Torres Strait Islander Health Survey
NATSISS	National Aboriginal and Torres Strait Islander Social Survey
NCATSIS	National Centre for Aboriginal and Torres Strait Islander Statistics
NCETS	National Centre for Education and Training Statistics
NCYSU	National Children and Youth Statistics Unit
NDN	National Data Network
NHIG	National Health Information Group
NHS	National Health Survey
NIRS	National Information and Referral Service
NRM	Natural Resource Management
NRP	National Regional Profile
NSS	National Statistical Service
NSTI	National Statistical Training Institute
NSW	New South Wales
NT	Northern Territory
NZSCO	New Zealand Standard Classification of Occupations
OECD	Organisation for Economic Co-operation and Development
OESR	Queensland Office of Economic and Statistical Research
OPFC	Office of the Federal Privacy Commissioner
OHS	Occupational Health and Safety
OHS (CE) Act	<i>Occupational Health and Safety (Commonwealth Employment) Act 1991</i>
OPALS	Organisational, People and Learning Systems
PES	Post Enumeration Survey
PPI	Producer Price Indexes
PPP	Purchasing Power Parity
PGSP	Pacific Governance Support Program
QLD	Queensland
RADL	Remote Access Data Laboratory
RSE	Relative Standard Error
RSS	Really Simple Syndication
SA	South Australia
SCH	Statistical Clearing House
SEEA	System of Environments-Economic Accounts
SES	Senior Executive Service
SLCD	Statistical Longitudinal Census Dataset
SMS	Short Message System
SIAP	Statistical Institute for Asia and the Pacific

SMVU	Survey of Motor Vehicle Use
SNA	System of National Accounts
SOMES	Strengthening of Macro-Economic Statistics
SPC	Secretariat of the Pacific Community
SPSA	Statistics Program, South Australia
STSS	State and Territory Statistical Services
TAS	Tasmania
TSD	Technology Services Division
UN	United Nations
UNESCAP	United Nations Economic and Social Commission for Asia and the Pacific
UNSC	United Nations Statistical Commission
VIC	Victoria
VNSO	Vanuatu National Statistics Office
WA	Western Australia
WPI	Wage Price Index
W3C	World Wide Web Consortium

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